

# George Municipality



*Annual Report*  
2013/14



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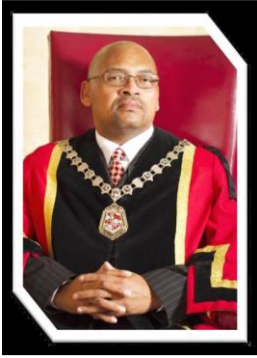
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## Chapter 1: Mayor's Foreword and Executive Summary

### Component A: Mayor's Foreword



It is always a daunting task to provide a complete account on the responsibilities conferred upon us by the electorate. Most significantly, we do so being quite conscious of the fact that the general public deserves its rightful place at the apex of the 'accountability chain'. In presenting this Annual Report, George Municipality sets out the performance highlights and financial management for the 2013/2014 financial year. As the sphere of government close to the people, we will always be evaluated as to our ability to meet the growing needs of our residents through rendering quality services, promoting economic development, fiscal discipline, ensuring that we govern effectively and facilitating the growth of our city.

The Annual Report is an account of how we have taken up the challenge to grow George, to effectively engage our community and develop partnerships with our business sector, academia and civil society. It attests to the collective efforts of the political and administrative arms of the Municipality to progressively address the ever increasing expectations of our people and also reflects the political stability and decisive leadership within the organisation.

The consecutive receipt of a clean audit report year-after-year from the Office of the Auditor General testifies to the efforts and advances that this administration has made in the first and second year of the current council's term of office.

It will of course remain true for some time to come that the challenges of poverty, underdevelopment and the historical legacy of neglect will remain with us beyond the term of office of any elected political office-bearer or top management official. This clearly qualifies the fact that 'development is not an event but a process' which requires multiple resources and effective leadership.

I remain committed to working together with my Mayoral Committee, the whole Council and the Municipal Administration in realising our vision and making a difference in the lives of all who live in George.



**C STANDERS**

**EXECUTIVE MAYOR**

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## Component B: Executive Summary

### Municipal Manager's Overview



This Annual Report captures George Municipality's strategic focus, provides an overview on its performance and sets out Council's financial position for the 2013/2014 financial year.

Blessed as we are with an environment of great natural beauty and significant resources, there is every reason to be positive about the long-term prospects of our city. However, there remains a lot of work to do to ensure that George earns and maintains its rightful place amongst the cities of the world.

Managing and running a city of George's size is a formidable undertaking, requiring financial resources and technically equipped members of staff (and where necessary, service providers). Through their combined efforts, they have to ensure that all residents have adequate clean water and sanitation; that they have electricity to light their homes; that the solid waste generated within the municipal jurisdiction is safely disposed of; that the roads are maintained and adequate public transport is provided; that storm water is safely channeled; that all citizens have access to adequate housing; that emergencies can be dealt with rapidly and effectively, and the health of all its citizens is protected and improved.

Our main focus is on better service delivery through the alignment of call centre functions and contact centres, the implementation of the Economic Revitalisation Policy and its related investment incentives, increased focus on implementation of EPWP and job creation, ensuring quality execution of all housing projects, and so the list continues.

One of the main challenges faced during the year was the balancing of the budget, with a slowdown in revenue collection due to increasing tariffs, as well as the burden of debt weighing heavily on the municipality as a whole. This challenge was professionally approached, and admirably managed, with strict financial management, increased oversight in terms of expenditure and a very cautious approach to further capital commitments. The year saw steps taken to rectify a potentially precarious long term position, and place the municipality on a path of financial sustainability. This was achieved without compromising the high levels of basic service delivery.

This Annual Report outlines the details of the various programmes managed by the Directorates of George Municipality and how we have performed towards meeting the set targets. We firmly believe that we are on track towards meeting the growth and development targets of the Municipality in the context of a developmental state.

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On behalf of George Municipality's Management, we wish to express our profound appreciation to the Political leadership and the opportunity that they have given to us to serve the people of George. The staff of the George Municipality continues to put in every effort to ensure our organisation implements its mandate effectively and that we, individually and collectively, are able to contribute to making a difference in the quality of life in our communities.



**TREVOR BOTHA**

**MUNICIPAL MANAGER**

## 1.2 Municipal Functions, Population and Environmental Overview

This report addresses the performance of the George Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the municipality provides regular and predictable reporting on programme performance and the general state of affairs in their locality.

The 2013/14 Annual Report reflects on the performance of the George Municipality for the period 1 July 2013 to 30 June 2014. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

### 1.2.1 Vision and Mission

**The George Municipality committed itself to the vision and mission of:**

#### *Vision:*

“George strives to be the best medium sized city in the Country using all available resources sustainably to the benefit of the community in a growing and a thriving city.”

#### *Mission:*

“To provide affordable high quality services through effective governance, administration and fiscal discipline facilitating an environment that is conducive to economic growth and opportunities for all residents whilst ensuring the protection of our natural resources in a sustainable manner to provide a quality living environment for all”

### 1.2.2 Demographic Information

#### *a) Municipal Geographical Information*

About 2,000 years ago the San people moved south toward the present Western Cape Province. The area where George is situated is known today as Outeniqua Land. The word “Outeniqua” is derived from a Khoi word which means: “man laden with (or carrying bags of) honey”. It is a place not only richly bestowed with natural beauty, but also well known for unparalleled growth and development.

The French traveler and writer, Francois le Valiant described the area as follows during his visit in the 17<sup>th</sup> century:

***“Bloemrijke velden en de Schoonste weiden zetteden dit heerlijk landschap nog meerder luister bij. Ik was waarlijk opgetogen van Verrukking...”***

The second drostdy to be established, in 1811, after the British occupation of the Cape, George was named after King George III of England. In 1837 George gained municipal status and by 1907 was linked by rail to Cape Town

Now a day’s George, the City, forms the administrative hub of the world-renowned Garden Route area. George is nestled below the magnificent Outeniqua Mountains. The wide expanse of forests, the blend of mountains, rivers

and rich farmlands in close proximity to the sweeping coastline of the Indian Ocean and its glorious beaches make George a unique Southern Cape Town. George enjoys a mild climate, with a small difference between the minimum and maximum temperatures. The average annual rainfall of 850 mm is spread throughout the year. An excellent system of highways and national roads link George to Cape Town, 420 km away, and Port Elizabeth - a mere 320 km to the east. The area is relatively crime free compared to other towns of similar size in the Country and has a well-educated work force.

The municipal area is 5,190km<sup>2</sup> in extent and is situated approximately half way between Cape Town and Port Elizabeth. The municipal area includes the following:

- ❖ The town George;
- ❖ The villages of Uniondale, Haarlem, Wilderness and Herold's Bay;
- ❖ Various coastal resorts such as Kleinkrantz, Victoria Bay and the wilderness National Park;

Rural areas such as the area around Rondevlei, (east of Wilderness), Geelhoutboom, Herold, Hansmoeskraal and Waboomskraal.

## Wards

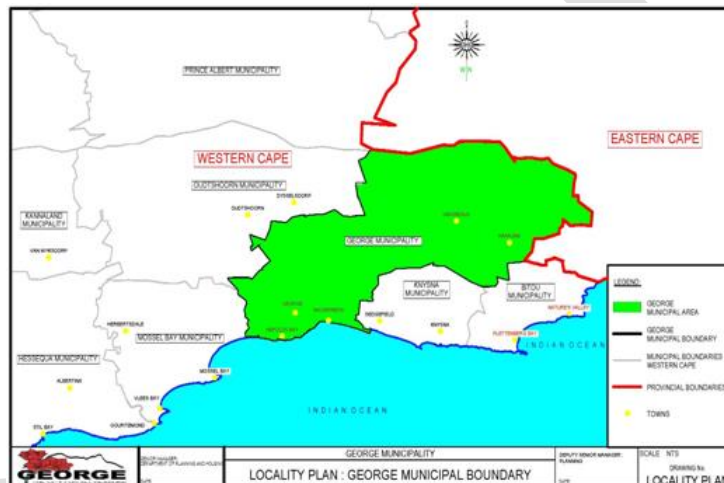
The Municipality is currently structured into the following **25 Wards**:

| WARD | AREAS   |
|------|---|
| 1    | Blanco, Fancourt  |
| 2    | Denneoord , Fernridge, Bo-dorp  |
| 3    | Earls Court, Glen Barry, Heather Park, Heatherlands, Kingswood  |
| 4    | Kleinkrantz, Kraaibosch, Wildernis, Hoekwil, Touwsrante   |
| 5    | Le Vallia, Bergsig, Bo-dorp, Molenrivier-rif, Portion of Denneoord and Eastern Extension (1-5 <sup>th</sup> street) |
| 6    | Rosemoor, Protea Park, Urbansville, Portion of Le Vallia,   |
| 7    | Lawaakamp, Maraiskamp   |
| 8    | Parkdene, Ballotsview   |
| 9    | Thembaletu  |
| 10   | Thembaletu  |
| 11   | Thembaletu  |
| 12   | Thembaletu  |
| 13   | Thembaletu  |
| 14   | Erf 325 , Pacaltsdorp, Andersonville, Seaview, Europe, Noordstraat  |
| 15   | Thembaletu  |
| 16   | New Dawn Park   |
| 17   | Conville, Rosemoor, Convent Gardens, Mary's View, Urbansville (Hurter Street)                                       |
| 18   | Genevafontein, Loeriepark, Tweerivieren   |
| 19   | George Sentraal , George South, Dormehlsdrift, King George  |

| WARD | AREAS   |
|------|---|
| 20   | Borchards   |
| 21   | Thembaletu  |
| 22   | Bo-dorp, Camphersdrift, Rural Areas, Diepkloof, Sinksabrug, Waboomskraal, Herold, Geelhoutboom, Hoogekraal                          |
| 23   | Delville Park, Groenewyde Park, Herolds Bay, Buffelsfontein, Oubaai, Hansmoeskraal, Syferfontein, Rooirivier, Le Grande, Bos en Dal |
| 24   | Haarlem, Ongelegen, Avontuur, Noll (including surrounding areas)  |
| 25   | Uniondale, Ezeljacht, Rooirivier, (including surrounding areas)   |

**Table 1: Municipal Wards**

**Below is a map of the Municipal area:**



**Figure 1: Locality map**

### b) Total Population

Eden District's total population is 574 265, representing 9.8% of the Western Cape Province total population of 5 822 734 million. George municipality has the largest population in the Eden District, the population was estimated at 193 672 in the 2011 census, which represents a growth of 29.1% from 2001-2011.

The table below indicates the total population within the municipal area:

| 2001    | 2011    |
|---------|---------|
| 150 003 | 193 672 |

Source: Census 2001 & 2011

**Table 2: Demographic information of the municipal area – Total population**

### c) Households

In 2011, 53 551 households were living within the George municipal area. Stats SA defines a household 'as a group of persons who live together and provide themselves a jointly with food or other essentials for living, or a single person

who lives alone.' The size cohort with highest number of households is where the number of people living together is not more than 2 persons; it represents 24.8% of households. Nearly 19% of households consist of a single person.

| HH size             | 1      | 2      | 3     | 4     | 5     | 6     | 7     | 8     | 9   | 10+ | Total  |
|---------------------|--------|--------|-------|-------|-------|-------|-------|-------|-----|-----|--------|
| No. of HH's         | 10 171 | 13 295 | 8 648 | 8 730 | 5 510 | 3 189 | 1 702 | 1 014 | 532 | 760 | 53 551 |
| Source: Census 2011 |        |        |       |       |       |       |       |       |     |     |        |

**Table 3: Households numbers**

| Households  | 2013/14  |
|---|----------|
| Number of households in municipal area              | 53 551** |
| Number of indigent households in municipal area     | 16 334   |
| Percentage of indigent households in municipal area | 30.5%    |
| Source: Census 2011                                 |          |

**Table 4: Total number of households**

#### d) Key Economic Activities

The table below indicates the percentage contribution to the Gross Value Added (GVA) per economic sector:

| Economic Sector  | % contribution to GVA |
|--|-----------------------|
| Finance, insurance, real estate and business services  | 24.84                 |
| Wholesale and retail trade, catering and accommodation | 16.06                 |
| Manufacturing  | 13.89                 |
| General government                                     | 12.81                 |
| Transport, storage and communication                   | 12.59                 |
| Construction   | 8.67                  |
| Community, social and personal services                | 5.96                  |
| Agriculture, forestry and fishing                      | 3.09                  |
| Electricity, gas and water                             | 1.84                  |
| Mining and quarrying                                   | 0.25                  |

**Table 5: Key Economic Activities**

### 1.2.3 Municipal Highlights

| Highlights                                      |
|---|
| Leading EPWP implementing municipality          |
| Good internal control environment               |
| Clean town and parks of high standard           |
| The municipality is innovative and trendsetting |
| Good master planning                            |
| George is known as a well-managed town          |



| Highlights                         |
|------------------------------------|
| High level of expertise and skills |
| Loyal top management               |

**Table 6: Municipal Highlights**

## 1.2.4 Municipal Challenges

The following general challenges are experienced by the Municipality:

| Challenges   |
|--|
| Financial viability to ensure sustainability   |
| Security at municipal properties   |
| Sustainable service delivery/ improving turnaround time/ service delivery to be formulated in a policy   |
| Image of the municipality  |
| Asset management and maintenance of assets to ensure sustainability  |
| Human resource management and retention of skilled staff   |
| Communication: External and internal   |
| Revenue enhancement  |
| ICT systems  |
| GIPTN implementation: This is a complex project and major challenges will have to be carefully managed to successfully implement by the proposed date. |
| Organisational development: Implementation of the proposed new structure   |
| Lack of office space   |

**Table 7: Municipal Challenges**

## 1.3 Service Delivery Overview

### 1.3.1 Basic services delivery Performance highlights

| Highlight   | Description   |
|---|---|
| High percentage provision of basic services for water and sewage. | The George area is one of the better serviced areas in the Country with regard to the provision of water and sewage services to all its communities.        |
| The general condition of streets and is good.                     | Programs are in place to maintain all municipal streets and potholes are repaired in a planned and scheduled manner. A re-sealing program is also in place. |

**Table 8: Basic Services Delivery Highlights**

### 1.3.2 Basic services delivery challenges

| Service Area                  | Challenge   | Description  |
|-------------------------------|---|--|
| Sustainable service delivery. | The indigent percentage of George remains high with the demand that this places on the finances of the municipality and the ability to maintain infrastructure and provide capacity for sustainable growth, specifically with | National Grant Funding is not sufficient to provide for the required infrastructure, and the maintenance burden is carried more and more by a smaller portion of the paying communities. |

| Service Area | Challenge  | Description |
|--------------|--|-------------|
|              | regard to the provision of bulk and link services to housing developments. |             |

*Table 9: Basic Services Delivery Challenges*

## 1.4 Financial Health Overview

### 1.4.1 Financial Viability Highlights

| Highlight   | Description   |
|---|---|
| Clean Audit Report for 2012/2013 Financial Year   | Receiving an Unqualified Audit Outcome  |
| Compliance with all financial and other legislative requirements- Supply Chain Management | The capacitation of the directorate in order to ensure that good governance practices are set in place for the organisation to procure of goods and services  |
| Financial Management and Reporting  | The compilation of monthly financial statements   |
| Long-Term Financial Planning  | To start with the compilation a Long-Term Financial Plan for the municipality that will guide this municipality and ensure the financial sustainability of not only the current generation but also the future generations of George. |

*Table 10: Financial Viability Highlights*

### 1.4.2 Financial Viability Challenges

| Challenge                                  | Action to address   |
|--|---|
| Managing and maintaining fiscal challenges | Managing expenditure and generation of revenue to ensure that the municipality can function as constitutionally obligated which is financially sustainable.   |
| New Organisation Design                    | To ensure that a functional organisational structure is in place and addressing the human resource capacity weaknesses / needs of the directorate in order to supply the needed financial support services within the organisation. |
| Institutional Capacity Building            | To assist in building a developmental municipality within our financial capacity  |
| Social Economic Development                | To contribute to the social and economic development of our community through financial practices, mechanisms, and processes for the procurement of goods and services needed to deliver basic services.                            |
| Public Participation                       | To encourage the involvement of communities and community organisations in the budgeting and financial management affairs of the municipality to ensure financial sustainability.   |

*Table 11: Financial Viability Challenges*

### 1.4.3 National Key Performance Indicators – Municipal Financial Viability and Management (Ratios)

The following table indicates the municipality's performance in terms of the **National Key Performance Indicators** required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA.

These key performance indicators are linked to the **National Key Performance Area** namely **Municipal Financial Viability and Management**.

| KPA & Indicator   | 2012/13    | 2013/14    |
|---|------------|------------|
| Debt coverage ((Total operating revenue-operating grants received):debt service payments due within the year) | 22.22      | 22.49      |
| Service debtors to revenue – (Total outstanding service debtors: revenue received for services)               | 13%        | 10%        |
| Cost coverage ((Available cash+ investments): Monthly fixed operating expenditure                             | 4.52 times | 5.05 times |

*Table 12: National KPI's for financial viability and management*

#### 1.4.4 Financial Overview

| Details                      | 2013/14          | Original budget  | Adjustment Budget | Actual           |
|------------------------------|------------------|------------------|-------------------|------------------|
| R'000                        |                  |                  |                   |                  |
| <b>Income</b>                |                  |                  |                   |                  |
| Grants(Operating + Capital)  | 232 516          | 419 981          | 596,513           | 558 129          |
| Taxes, Levies and tariffs    | 730 643          | 790 637          | 792,055           | 799 356          |
| Other                        | 73 219           | 72 361           | 72,651            | 150 459          |
| <b>Sub Total</b>             | <b>1 036 378</b> | <b>1 282 979</b> | <b>1 461 219</b>  | <b>1 507 944</b> |
| Less Expenditure             | 1 005 269        | 1 173 924        | 1 267 655         | 1 235 900        |
| <b>Net surplus/(deficit)</b> | <b>31 109</b>    | <b>109 055</b>   | <b>193 564</b>    | <b>272 044</b>   |

*Table 13: Financial Overview*

#### 1.4.5 Operating Ratios

| Detail                         | Expected norm | Actual | % Variance |
|--------------------------------|---------------|--------|------------|
| Employee Cost                  | 30%           | 26%    | -4%        |
| Repairs & Maintenance          | 20%           | 5%     | -15%       |
| Finance Charges & Depreciation | 10%           | 7%     | -3%        |

*Table 14: Operating ratios*

Employee cost is 4 % lower than the norm of 30% which represents a positive outcome. Repairs and maintenance are also 15% below the norm of 20% which indicates that expenditure on repairs and maintenance would have to be increased in future budgets to properly maintain Council's assets. Finance charges and depreciation are 3% less than the norm of 10%, this can mainly be attributed to the higher depreciation generated as a result of the componentisation of infrastructure assets in terms of GRAP.

## 1.5 Organisational Development Overview

### 1.5.1 Municipal Transformation and Organisational Development Highlights

| Highlight                                  | Description  |
|--|--|
| Organisational Review and Redesign Project | Review and redesign of entire organisational structure     |
| Task job evaluation and auditing           | Auditing of critical posts on the organisational structure |

*Table 15: Municipal Transformation and Organisational Development Highlights*

### 1.5.2 Municipal Transformation and Organisational Development Challenges

| Challenge   | Actions to address  |
|---|---|
| Recruitment and selection – filling of scarcity posts | Review of the Scarce Skill and Staff Retention policy               |
| Vacant posts on organisational Structure              | Review organisational structure / Re-align organisational structure |

*Table 16: Municipal Transformation and Organisational Development Challenges*

## 1.6 Audited Outcomes

| Year   | 2009/10     | 2010/11     | 2011/12     | 2012/13     | 2013/14     |
|--------|-------------|-------------|-------------|-------------|-------------|
| Status | Unqualified | Unqualified | Unqualified | Unqualified | Unqualified |

*Table 17: Audit Outcomes*

## CHAPTER 2: GOVERNANCE

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

### National Key Performance Indicators - Good Governance and Public Participation

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

| Indicator   | 2012/13 | 2013/14 |
|---|---------|---------|
| The percentage of a municipality's <b>capital budget</b> actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan | 78      | 94%     |

*Table 18: National KPIs - Good Governance and Public Participation Performance*

## Component A: Political and Administrative Governance

### 2.1 Political Governance Structure

The council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles, and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Its primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as policy makers, Councillors are also actively involved in community work and the various social programmes in the municipal area.

#### a) Council

Below is a table that categorised the councillors within their specific political parties and wards:

| Name of councillor                 | Capacity  | Political Party | Ward representing or proportional |
|------------------------------------|---|-----------------|-----------------------------------|
| Charles Standers                   | Executive Mayor                                   | DA              | Ward 8                            |
| Daniel Maritz                      | Executive Deputy Mayor                            | DA              | Ward 17                           |
| Mercia Draghoender                 | Speaker   | DA              | Ward 20                           |
| Philippus Hendrik De Swardt        | Chief Whip  | DA              | Ward 22                           |
| Melvin George Naik                 | Mayoral committee member<br>(From 07 August 2013) | DA              | Ward 1                            |
| Marchell Elton Frederick Kleynhans | Mayoral committee member                          | DA              | Ward 25                           |

| Name of councillor              | Capacity                               | Political Party | Ward representing or proportional |
|---------------------------------|--|-----------------|-----------------------------------|
| Wilbert Terence Harris          | Mayoral committee member               | COPE            | PR                                |
| Henry Johannes Jones            | Mayoral committee member               | DA              | Ward 16                           |
| Iona Christina Kritzing         | Mayoral committee member               | DA              | Ward 19                           |
| Erasmus Petrus De Villiers      | Mayoral committee member               | DA              | Ward 6                            |
| Gideon Johannes Stander         | Mayoral committee member               | DA              | Ward 23                           |
| Isaya Stemela                   | Mayoral committee member               | DA              | PR                                |
| Leon David Van Wyk              | Mayoral committee member               | DA              | Ward 4                            |
| Charlie Bob                     | Councillor                             | ANC             | PR                                |
| Belrina Magdalena Cornelius     | Councillor                             | DA              | PR                                |
| Erasmus Petrus De Villiers      | Councillor                             | DA              | Ward 3                            |
| Nomamse Noxolo Elizabeth Dlephu | Councillor                             | DA              | PR                                |
| Johan Du Toit                   | Councillor                             | ACDP            | PR                                |
| Lionel Bertram Charles Esau     | Councillor                             | DA              | Ward 5                            |
| Teresa Fortuin                  | Councillor                             | ANC             | PR                                |
| Virgil Gericke                  | Councillor                             | PBI             | PR                                |
| Mzwandile Daliwonga Gingcana    | Councillor                             | ANC             | Ward 10                           |
| Fanele Stanley Guga             | Councillor                             | ANC             | Ward 15                           |
| Leslie Stephen Hayward          | Councillor                             | GIRF            | PR                                |
| Hendrik Hermanus Ingo           | Councillor<br>(From 22 May 2013)       | DA              | Ward 6                            |
| Nontsikelelo Frieda Kamte       | Councillor                             | ANC             | Ward 11                           |
| Nomsa Violet Kom                | Councillor                             | ANC             | PR                                |
| Princess Bulelwa Komani         | Councillor                             | ANC             | PR                                |
| Phomulang Simon Leholo          | Councillor                             | ANC             | PR                                |
| Rosina Lombaard                 | Councillor<br>(From 26 June 2013)      | ICOSA           | PR                                |
| Gert Macclune                   | Councillor                             | DA              | PR                                |
| Sydney Mpumelelo Mekana         | Councillor                             | DA              | PR                                |
| Christiaan Neethling            | Councillor                             | DA              | Ward 2                            |
| Gert Cornelius Niehaus          | Councillor                             | DA              | Ward 18                           |
| Franklin Zolile Ntozini         | Councillor                             | ANC             | Ward 7                            |
| Mxolisi Micheal Nyakathi        | Councillor<br>(From 10 September 2013) | ACE             | PR                                |
| Clareen Remas                   | Councillor                             | DA              | Ward 14                           |
| Bazil Petrus                    | Alderman                               | ANC             | PR                                |
| Ludwe Ncibane Qupe              | Councillor                             | DA              | PR                                |

| Name of councillor                   | Capacity                          | Political Party | Ward representing or proportional |
|--------------------------------------|-----------------------------------|-----------------|-----------------------------------|
| Busisiwe Salmani                     | Councillor                        | ANC             | Ward 13                           |
| Guilford Mbuyiseli Yuletide Sihoyiya | Councillor                        | ANC             | PR                                |
| Glenys Nomawethu Sixolo              | Councillor                        | ANC             | Ward 12                           |
| Tobeka Teyisi                        | Councillor                        | ANC             | Ward 9                            |
| Julia Suliwe Thanda                  | Councillor                        | ANC             | Ward 21                           |
| Pieter Jacobus Van Der Hoven         | Councillor                        | ANC             | PR                                |
| Aletta Johanna Van Zyl               | Councillor                        | DA              | PR                                |
| Alex Mattheus Wildeman               | Councillor                        | ANC             | Ward 24                           |
| Charlie Thamsanqa Williams           | Alderman                          | ANC             | PR                                |
| Wilena Witbooi                       | Councillor                        | ANC             | PR                                |
| Marlene Viljoen                      | Councillor<br>(From 5 April 2013) | DA              | PR                                |

**Table 19: Council 2013/14**

Below is a table which indicates the Council meetings attendance for the 2013/14 financial year:

| Meeting dates     | Number of items (resolutions) submitted |
|-------------------|---|
| 21 August 2013    | 20                                      |
| 18 September 2013 | 8                                       |
| 30 October 2013   | 16                                      |
| 2 December 2013   | 11                                      |
| 26 February 2014  | 9                                       |
| 26 March 2014     | 7                                       |
| 4 June 2014       | 10                                      |
| 25 June 2014      | 3                                       |

**Table 20: Council meetings**

## b) Executive Mayoral Committee

The Executive Mayor of the Municipality, **Alderman Charles Standers**, assisted by the Mayoral Committee, heads the executive arm of the Municipality. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, and as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in concert with the Mayoral Committee.



The name and portfolio of each Member of the Mayoral Committee is listed in the table below for the period 1 July 2013 to 30 June 2014:

| Name of member                     | Capacity  |
|------------------------------------|---|
| Charles Standers                   | Executive Mayor   |
| Daniel Maritz                      | Executive Deputy Mayor And Portfolio Councillor For Human Resources             |
| Melvin George Naik                 | Portfolio Councillor For Civil Engineering Services                             |
| Erasmus Petrus De Villiers         | Portfolio Councillor For Environmental Affairs And Sport                        |
| Wilbert Harris                     | Portfolio Councillor For Electro-Technical Services                             |
| Henry Jones                        | Portfolio Councillor For Human Settlements                                      |
| Iona Kritzinger                    | Portfolio Councillor For Community Safety                                       |
| Marchell Elton Frederick Kleynhans | Portfolio Councillor For Rural Services Committee / Social and Library Services |
| Gideon Stander                     | Portfolio Councillor For Planning   |
| Isaya Stemela                      | Portfolio Councillor For Corporate Services                                     |
| Leon Van Wyk                       | Portfolio Councillor For Finance  |

*Table 21: Executive Mayor-in-Committee 2013/14*

The table below indicates the dates of the Executive Mayor-in-Committee meetings and the number of reports submitted to Council for the 2013/14 financial year:

| Meeting date      | Number of items submitted |
|-------------------|---------------------------|
| 17 July 2013      | 8                         |
| 14 August 2013    | 7                         |
| 11 September 2013 | 3                         |
| 9 October 2013    | 1                         |
| 21 November 2013  | -                         |
| 22 January 2014   | 7                         |
| 11 February 2014  | 3                         |
| 12 March 2014     | 6                         |
| 16 April 2014     | 6                         |
| 14 May 2014       | 2                         |
| 11 June 2014      | 2                         |

*Table 22: Mayoral Committee Meetings*

### c) Portfolio Committees

In terms of section 80 of the Municipal Structures Act, 1998, if a council has an executive committee; it may appoint in terms of section 79 committees of councillors to assist the executive committee or executive mayor. Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in

some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council.

The portfolio committees for 2013/14 and their Chairpersons are as follow:

*i) Human Resources Portfolio Committee*

| Name of member                     | Meeting Dates  |
|------------------------------------|--|
| D Maritz (Chairperson)             | 13/08/2013<br>10/09/2013<br>10/10/2013<br>20/11/2013<br>16/01/2014<br>17/06/2014 |
| E De Villiers                      |  |
| J Du Toit                          |  |
| L Esau                             |  |
| T Fortuin                          |  |
| F Guga                             |  |
| I Kritzinger                       |  |
| G Niehaus                          |  |
| M Nyakati [from 10 September 2013] |  |
| L Qupe                             |  |
| I Stemela                          |  |

**Table 23: Human Resources Portfolio Committee 2013/14**

*ii) Civil Engineering Services Portfolio Committee:*

| Name of member   | Meeting Dates  |
|--|--|
| S J Bezuidenhout (Chairperson) (until 18 September 2013) | 23/07/2013<br>19/11/2013<br>19/02/2014<br>20/03/2014<br>19/06/2014 |
| W T Harris (Chairperson) (from 18 September 2013)        |  |
| H J Jones (Deputy Chairperson)                           |  |
| N E Dlephu   |  |
| T Fortuin  |  |
| M E F Kleynhans  |  |
| D Maritz   |  |
| G M Y Sihoyiya   |  |
| M Viljoen  |  |

**Table 24: Civil Engineering Services Portfolio Committee 2013/14**

*iii) Environmental Affairs and Sport Portfolio Committee:*

| Name of member  | Meeting Dates |
|---|---------------|
| E P De Villiers (Chairperson) (from 02 December 2013) | 29/08/2013    |
| C Remas (from 21 August 2013)                         | 19/09/2013    |

| Name of member                     | Meeting Dates |
|------------------------------------|---------------|
| W Harris                           | 16/10/2013    |
| N Dlephu                           | 19/11/2013    |
| V Gericke (until 02 December 2013) | 21/01/2014    |
| D Maritz (until 21 August 2013)    | 18/02/2014    |
| G Macclune                         | 13/03/2014    |
| J Thanda                           | 18/06/2014    |
| L Van Wyk                          |               |
| A Van Zyl                          |               |
| M Viljoen                          |               |
| A Wildeman                         |               |

**Table 25: Environmental Affairs and Sport Portfolio Committee 2013/14**

*iv) Electro-technical Services Portfolio Committee:*

| Name of member                     | Meeting Dates |
|------------------------------------|---------------|
| W T Harris (Chairperson)           |               |
| S J Bezuidenhout                   |               |
| N E Dlephu                         |               |
| V Gericke (until 02 December 2013) | 16/07/2013    |
| M D Gingcana                       | 10/09/2014    |
| H J Jones                          | 19/11/2013    |
| N F Kamte                          | 19/02/2014    |
| M E F Kleynhans                    | 20/03/2014    |
| L N Qupe                           | 19/06/2014    |
| M Viljoen                          |               |

**Table 26: Electro-technical Services Portfolio Committee 2013/14**

*v) Human Settlements Portfolio Committee:*

| Name of member                   | Meeting Dates |
|----------------------------------|---------------|
| H J Jones (Chairperson)          | 18/07/2013    |
| G J Stander (Deputy Chairperson) | 22/08/2013    |
| C Bob                            | 12/09/2013    |
| B M Cornelius                    | 17/10/2013    |
| P De Swardt                      | 22/11/2013    |
| H Ingo                           | 23/01/2014    |
| R Lombaard                       | 20/02/2014    |
| G Niehaus                        | 18/03/2014    |
|                                  | 20/05/2014    |
|                                  | 24/06/2014    |

| Name of member | Meeting Dates |
|----------------|---------------|
| B Petrus       |               |
| C Remas        |               |
| I Stemela      |               |

**Table 27: Housing Portfolio Committee 2013/14**

*vi) Community Safety Portfolio Committee:*

| Name of member                        | Meeting Dates  |
|---------------------------------------|--|
| I Kritzing (Chairperson)              | 23/07/2013<br>16/10/2013<br>19/11/2013<br>18/02/2014<br>13/03/2014<br>18/06/2014 |
| G Niehaus                             |  |
| S Bezuidenhout (until 21 August 2013) |  |
| E De Villiers                         |  |
| S Mekana                              |  |
| M Naik (from 21 August 2013)          |  |
| C Neethling                           |  |
| M Nyakati (from 02 December 2013)     |  |
| B Salmani                             |  |
| P Van Der Hoven                       |  |

**Table 28: Community Safety Portfolio Committee for 2013/14**

*vii) Social Services Portfolio Committee:*

| Name of member                                   | Meeting Dates  |
|--|--|
| I Kritzing (Chairperson until 18 September 2013) | 23/07/2013<br>10/09/2013<br>16/10/2013<br>19/11/2013<br>21/01/2014<br>13/03/2014<br>17/06/2014 |
| M Kleynhans (Chairperson from 18 September 2013) |  |
| B Cornelius                                      |  |
| J Du Toit  |  |
| H Ingo (from 19 June 2013)                       |  |
| I Kritzing                                       |  |
| P Leholo   |  |
| G Macclune                                       |  |
| S Mekana   |  |
| C Remas  |  |
| G Sixolo   |  |
| I Stemela  |  |

**Table 29: Social Services Portfolio Committee 2013/14**

*viii) Planning Portfolio Committee:*

| Name of member                        | Meeting Dates |
|---------------------------------------|---------------|
| G Stander (Chairperson)               |               |
| D Maritz                              |               |
| C Bob                                 |               |
| B Cornelius                           | 29/08/2013    |
| P H De Swardt                         | 19/09/2013    |
| W Harris                              | 17/09/2013    |
| H Jones                               | 22/11/2013    |
| M Naik                                | 23/01/2014    |
| M Nyakati (from 18 September 2013)    | 20/02/2014    |
| M Kleynhans (until 18 September 2013) | 18/03/2014    |
| N Kom                                 | 20/05/2014    |
| R Lombaard                            | 24/06/2014    |

**Table 30: Planning Portfolio Committee 2012/13**

*ix) Corporate Services Portfolio Committee:*

| Name of member                       | Meeting Dates |
|--------------------------------------|---------------|
| I Stemela (Chairperson)              |               |
| E P De Villiers (Deputy Chairperson) |               |
| N E Dlephu                           | 24/07/2013    |
| L S Hayward                          | 28/08/2013    |
| D Maritz                             | 17/09/2013    |
| M Naik [from 21 August 2013]         | 10/10/2013    |
| F Z Ntozini                          | 20/11/2013    |
| T Teyisi                             | 16/01/2014    |
| A J Van Zyl                          | 13/02/2014    |
| M Viljoen                            | 17/06/2014    |

**Table 31: Corporate Services Portfolio Committee 2013/14**

*x) Finance Portfolio Committee:*

| Name of member          | Meeting Dates |
|-------------------------|---------------|
| L Van Wyk (Chairperson) | 24/07/2013    |
| P De Swardt             | 28/08/2013    |
| B Cornelius             | 17/09/2013    |
| W Harris                | 24/10/2013    |

| Name of member               | Meeting Dates |
|------------------------------|---------------|
| I Kritzingar                 | 26/11/2013    |
| D Maritz                     | 28/01/2014    |
| M Naik [from 21 August 2013] | 25/02/2014    |
| I Stemela                    | 19/03/2014    |
| P Van Der Hoven              | 21/05/2014    |
| C Williams                   | 26/06/2014    |

Table 32: Finance Portfolio Committee 2013/14

## 2.2 Administrative Governance Structure

The Municipal Manager is the Chief Accounting Officer of the Municipality. He is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the Management Team, whose structure is outlined in the table below:

| Name of Official | Department                                 | Performance agreement signed |
|------------------|--|------------------------------|
|                  |  | (Yes/No)                     |
| Mr T Botha       | Municipal Manager                          | Yes                          |
| Mr H Basson      | Director: Civil Engineering Services       | Yes                          |
| Mr S Erasmus     | Director: Planning and Housing             | Yes                          |
| Mr K Jordaan     | Director: Financial Services               | Yes                          |
| Mr K Grunewald   | Director: Electro-Technical Services       | Yes                          |
| Mr B Nelson      | Acting Director: Community Safety Services | No                           |
| Dr EM Rankwana   | Director: Corporate Services               | Yes                          |

Table 33: Administrative Governance Structure

## Component B: Public Accountability

MSA S15 (b): requires a municipality to establish and organize its administration to facilitate and a culture of accountability amongst its staff. S16 (i): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. S18 (i) (d): requires a municipality to supply its community with information concerning municipal governance, management and development.

Such participation is required in terms of:

- ❖ the preparation, implementation and review of the IDP;
- ❖ establishment, implementation and review of the performance management system;

- ❖ monitoring and review of the performance, including the outcomes and impact of such performance; and
- ❖ Preparation of the municipal budget.

## 2.3 Ward Committees

The purpose of a ward committee is:

- ❖ to get better participation from the community to inform council decisions;
- ❖ to make sure that there is more effective communication between the council and the community; and
- ❖ to assist the ward councillor with consultation and report-backs to the community.

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councillor serves on the ward committee and act as the chairperson. Although ward committees have no formal powers, they advise the ward councillor who makes specific submissions directly to the council. These committees play a very important role in the development and annual revision of the integrated development plan of the area.

The ward committees support the Ward Councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

The following tables indicates the names of the members of the ward committees and their meeting dates:

*Note: (M): Minutes available; (AR): Only attendance registers available*

### Ward 1: Blanco, Fancourt

| Name of representative | Capacity representing | Date of meetings held during the year                           |
|------------------------|-----------------------|---|
| M Naik                 | Councillor            | 11 November 2013 (M)<br>17 February 2014 (M)<br>26 May 2014 (M) |
| S Crowley              | Education             |   |
| N Wolmarans            | Business              |   |
| C Laws                 | Health & Welfare      |   |
| J Sáfers               | Safety & Security     |   |
| M Miller               | Tourism               |   |
| C Carolus              | Sport                 |   |
| V D Carolus            | Socio Economic Dev    |   |
| N Delpont-Ragadu       | Senior Citizens       |   |
| W Jansen               | Religious Groupings   |   |
| A Kaffoen              | Environment           |   |

**Table 34: Ward 1 Committee Meetings**

**Ward 2:** Denneoord , Fernridge, Bo-dorp

| Name of representative | Capacity representing | Date of meetings held during the year                           |
|------------------------|-----------------------|---|
| C Neethling            | Councillor            | 14 Augustus 2013 (M)<br>14 November 2013 (M)<br>26 May 2014 (M) |
| C D Ralston            | Senior Citizens       |   |
| A Lambrechts           | Health & Welfare      |   |
| H J v Rensburg         | Youth                 |   |
| B Uys                  | Religious Groupings   |   |
| W Barkhuizen           | Culture               |   |
| G Theron               | Woman                 |   |
| W Hopley               | Safety                |   |

*Table 35: Ward 2 Committee Meetings*

**Ward 3:** Earls Court, Glen Barry, Heather Park, Heatherlands, Kingswood

| Name of representative | Capacity representing | Date of meetings held during the year   |
|------------------------|-----------------------|---|
| EP De Villiers         | Councillor            | 19 August 2013 (M)<br>11 November 2013 (M)<br>10 February 2014 (M)<br>26 May 2014 (M) |
| E H Stroebel           | Health & Welfare      |   |
| Jan-Erik Swart         | Culture               |   |
| A Cook                 | Environment           |   |
| F A van der Merwe      | Home Owners Ass       |   |
| E Dreyer               | Religious Groupings   |   |
| G Weinmann             | Woman                 |   |

*Table 36: Ward 3 Committee Meetings*

**Ward 4:** Kleinkrantz, Kraaibosch, Wildernis, Hoekwil, Touwsrante

| Name of representative | Capacity representing   | Date of meetings held during the year   |
|------------------------|-------------------------|---|
| LD van Wyk             | Councillor              | 12 September 2013 (M)<br>4 November 2013 (M)<br>3 February 2014 (M)<br>9 May 2014 (M) |
| N Ewing                | Ratepayers Associations |   |
| W J Smit               | Senior Citizens         |   |
| C Buys                 | Youth                   |   |
| Q Simons               | Safety & Security       |   |
| J Pratt                | Tourism                 |   |
| S Branford             | Conservancies           |   |
| C Appels               | Touwsrante Community    |   |
| P Klein                | Sport                   |   |

*Table 37: Ward 4 Committee Meetings*



**Ward 5:** Le Vallia, Bergsig, Bo-dorp, Molenrivier-rif, Portion of Denneoord and Eastern Extension  
(1- 5<sup>th</sup> street)

| Name of representative | Capacity representing | Date of meetings held during the year |
|------------------------|-----------------------|---------------------------------------|
| LBC Esau               | Councillor            | 6 February 2014 (M)                   |
| C Linford              | Culture               |                                       |
| A H Jacobs             | Education             |                                       |
| H Pienaar              | Environment           |                                       |
| S Smart                | Religious Groupings   |                                       |
| R L van Wyk            | Sport                 |                                       |
| C I Krog               | Tourism               |                                       |
| J R Barnes             | Youth                 |                                       |
| P D Louw               | Senior Citizens       |                                       |

*Table 38: Ward 5 Committee Meetings*

**Ward 6:** Rosemoor, Protea Park, Urbansville, Portion of Le Vallia,

| Name of representative | Capacity representing | Date of meetings held during the year   |
|------------------------|-----------------------|---|
| H Ingo                 | Councillor            | 2 September 2013 (M)<br>4 November 2013 (M)<br>3 February 2014 (M)<br>12 May 2104 (M) |
| M Hessie               | Business              |   |
| J Pretorius            | Disabled              |   |
| Irene Pietersen        | Women                 |   |
| D Jantjies             | Welfare & Health      |   |
| Marius Korsten         | CBO                   |   |
| LDS Lass               | Education             |   |
| G Olyn                 | Housing               |   |

*Table 39: Ward 6 Committee Meetings*

**Ward 7:** Lawaakamp, Maraiskamp

| Name of representative | Capacity representing | Date of meetings held during the year   |
|------------------------|-----------------------|---|
| FZ Ntozini             | Councillor            | 19 August 2013 (M)<br>20 November 2013 (M)<br>13 March 2014 (M)<br>23 June 2014 (M) |
| E Moshabi              | Health & Welfare      |   |
| S Madumane             | Youth                 |   |
| K A Khumalo            | Business              |   |
| A Gcinilizwe           | Sport                 |   |
| S Rooiland             | Religious Groupings   |   |
| TM Dyasi               | Disabled              |   |

*Table 40: Ward 7 Committee Meetings*

## Ward 8: Parkdene, Ballotsview

| Name of representative | Capacity representing | Date of meetings held during the year    |
|------------------------|-----------------------|--|
| C Standers             | Councillor            | 21 January 2014 (M)<br>25 March 2014 (M) |
| H Swartbooi            | Community Safety      |  |
| J Pieterse             | Health & Welfare      |  |
| A Amas                 | Religious Groupings   |  |
| E Meyer                | Senior Citizens       |  |
| S Laws-Klaasen         | Women                 |  |

Table 41: Ward 8 Committee Meetings

## Ward 9: Thembaletu

| Name of representative | Capacity representing | Date of meetings held during the year  |
|------------------------|-----------------------|--|
| T Teyisi               | Councillor            | 26 August 2013 (M)<br>25 November 2013 (M)<br>17 February 2014 (M)<br>18 June 2014 (M) |
| S September            | Community Safety      |  |
| A Hans                 | Women                 |  |
| K Nikani               | Youth                 |  |
| M Mahambehala          | Environmental         |  |
| K Lose                 | Disabled              |  |
| P Kwetana              | Health                |  |
| V Dyanti               | Business              |  |
| T Boyana               | Co-opted              |  |
| S E Lumkwana           | Co-opted              |  |

Table 42: Ward 9 Committee Meetings

## Ward 10: Thembaletu

| Name of representative | Capacity representing | Date of meetings held during the year    |
|------------------------|-----------------------|--|
| MD Gingcana            | Councillor            | 27 February 2014 (M)<br>26 June 2014 (M) |
| B Henge                | Education             |  |
| S Msutu                | Women                 |  |
| V Dywili               | Youth                 |  |
| W Mnuku                | Business              |  |
| Noma-AfrikaMadela      | Culture               |  |
| N Ncamile              | Agriculture           |  |
| N J Mlanga             | Senior Citizens       |  |
| Z Blau                 | -                     |  |

Table 43: Ward 10 Committee Meetings

**Ward 11: Thembaletu**

| Name of representative | Capacity representing | Date of meetings held during the year   |
|------------------------|-----------------------|---|
| NF Kamte               | Councillor            | 02 September 2013 (M)<br>04 November 2013 (M)<br>19 March 2014 (M)<br>20 May 2014 (M) |
| A Noko                 | Community Safety      |   |
| C Z Sitchetshe         | Business              |   |
| S Ndzimba              | Senior Citizens       |   |
| E Joka                 | CBO                   |   |
| T Jantjies             | Sport                 |   |
| S C Mathys             | Youth                 |   |
| P Tsoloane             | Women                 |   |
| Z Toto                 | Co-opted              |   |
| T Baleni               | Co-opted              |   |

Table 44: Table 27: Ward 11 Committee Meetings

**Ward 12: Thembaletu**

| Name of representative | Capacity representing | Date of meetings held during the year |
|------------------------|-----------------------|---------------------------------------|
| GN Sixolo              | Councillor            | 18 March 2014 (M)                     |
| K Ndwenkuku            | CBO                   |                                       |
| B Plata                | Youth                 |                                       |
| E Gunuza               | Business              |                                       |
| M Nkomazana            | Agriculture           |                                       |
| N Nojaholo             | Community Safety      |                                       |
| Xoliseka Gunuza        | Culture               |                                       |
| Elvin Pretorius        | Sport                 |                                       |
| L Gela                 | Environment           |                                       |
| J Gom                  | Woman                 |                                       |
| Z Mzana                | Religious             |                                       |

Table 45: Ward 12 Committee Meetings

**Ward 13: Thembaletu**

| Name of representative | Capacity representing | Date of meetings held during the year    |
|------------------------|-----------------------|--|
| B Salmani              | Councillor            | 12 November 2013 (M)<br>24 June 2014 (M) |
| S Mazibuko             | Religious Groupings   |  |
| KK Siko                | Youth                 |  |

| Name of representative | Capacity representing   | Date of meetings held during the year |
|------------------------|-------------------------|---------------------------------------|
| I Lucas                | Sport                   |                                       |
| C Lucas                | Women                   |                                       |
| S Mbune                | Business                |                                       |
| T Leholo               | Community Safety Forums |                                       |
| M A de Vos             | Co-opted                |                                       |
| G M Onga               | Co-opted                |                                       |
| P Mankonkwana          | Co-opted                |                                       |
| S G Ndondlo            | Co-opted                |                                       |

*Table 46: Ward 13 Committee Meetings*

**Ward 14:** Erf 325 , Pacaltsdorp, Andersonville, Seaview, Europe, Noordstraat

| Name of representative | Capacity representing  | Date of meetings held during the year   |
|------------------------|------------------------|---|
| C Remas                | Councillor             | 2 September 2013 (M)<br>14 November 2013 (M)<br>03 February 2014 (M)<br>12 May 2014 (M) |
| B Klassen              | Youth                  |   |
| A Meyer                | CBO                    |   |
| J April                | Community Safety       |   |
| J Klassen              | Agriculture & Business |   |
| S Herman               | Senior Citizens        |   |
| R Deyce                | Woman                  |   |
| J F van Hansen         | Sport                  |   |

*Table 47: Ward 14 Committee Meetings*

**Ward 15:** Thembaletu

| Name of representative | Capacity representing | Date of meetings held during the year   |
|------------------------|-----------------------|---|
| FS Guga                | Councillor            | 14 August 2013 (M)<br>13 November 2013 (M)<br>10 March 2014 (M)<br>19 June 2014 (M) |
| Z Damster              | CBO                   |   |
| VuyaniGwejela          | Agricultural          |   |
| MR Dyantyi             | Education             |   |
| P Gege                 | Women                 |   |
| M Beba                 | Community Safety      |   |
| O N Gwangqa            | Co-opted              |   |

*Table 48: Ward 15 Committee Meetings*

**Ward 16:** New Dawn Park

| Name of representative | Capacity representing | Date of meetings held during the year                           |
|------------------------|-----------------------|---|
| HJ Jones               | Councillor            | 4 September 2013 (M)<br>06 November 2013 (M)<br>14 May 2014 (M) |
| A Heynse               | Health & Welfare      |   |
| S Louw                 | Religious Groupings   |   |
| J Rondganger           | Sport                 |   |
| J Fortuin              | Employment Sector     |   |
| R Patterson            | Women                 |   |
| M Rivers               | Community Safety      |   |
| C Noble                | Business              |   |
| C Daman                | Youth                 |   |
| Y Ambraal              | CBO                   |   |

*Table 49: Ward 16 Committee Meetings*

**Ward 17:** Conville, Rosemoor, Convent Gardens, Mary's View, Urbansville (Hurter Street)

| Name of representative | Capacity representing       | Date of meetings held during the year   |
|------------------------|-----------------------------|---|
| D Maritz               | Councillor                  | 26 September 2013 (M)<br>27 November 2013 (M)<br>17 February 2014 (M)<br>8 May 2014 (M) |
| M Adams                | Health & Welfare            |   |
| J Ambraal              | Religious Groupings         |   |
| BA Schoeman            | Senior Citizens             |   |
| P Foster               | Women                       |   |
| M Greeff               | Culture                     |   |
| L Jansen               | Environment                 |   |
| H Clark                | CBO                         |   |
| R Goeieman             | Youth                       |   |
| C Micheals             | Safety (Sector Crime Forum) |   |

*Table 50: Ward 17 Committee Meetings*

**Ward 18:** Genevafontein, Loeriepark, Tweerivieren

| Name of representative | Capacity representing | Date of meetings held during the year   |
|------------------------|-----------------------|---|
| GC Niehaus             | Councillor            | 15 August 2013 (M)<br>14 November 2013 (M)<br>05 February 2014 (M)<br>21 May 2014 (M) |
| Adri Joubert           | Business              |   |
| Sarel Volkwyn          | Community Safety      |   |
| Barry van Ginkel       | Environment           |   |
| Carel Neuhoff          | Religious Groupings   |   |

| Name of representative | Capacity representing | Date of meetings held during the year |
|------------------------|-----------------------|---------------------------------------|
| Stan F van Wyk         | Tourism               |                                       |
| Melinda Niehaus        | Women                 |                                       |
| SP Apollis             | Youth                 |                                       |
| P Nagel                | Youth                 |                                       |
| A Storm                | Senior Citizens       |                                       |

*Table 51: Ward 18 Committee Meetings*

**Ward 19:** George Sentraal , George South, Dormehlsdrift, King George

| Name of representative | Capacity representing | Date of meetings held during the year  |
|------------------------|-----------------------|--|
| IC Kritzinger          | Councillor            | 11 September 2013 (M)<br>7 November 2013 (M)<br>6 February 2014 (M)<br>15 May 2014 (M) |
| J Jacobs               | Health                |  |
| R Schubert             | Environment           |  |
| BS Redelinghuys        | Religious             |  |
| P Nel                  | Youth                 |  |

*Table 52: Ward 19 Committee Meetings*

**Ward 20:** Borchards

| Name of representative | Capacity representing | Date of meetings held during the year  |
|------------------------|-----------------------|--|
| M Draghoender          | Councillor            | 6 November 2013 (M)<br>5 June 2014 (M) |
| J Windwaai             | Youth                 |  |
| J Carolus              | Women                 |  |
| J October              | Disabled              |  |
| R Fisher               | Sport                 |  |
| M Mabukane             | Health & Welfare      |  |
| A Windwaai             | Environment           |  |
| J Muller               | Education             |  |
| J Yoko                 | Community Safety      |  |
| R Windwaai             | Business              |  |
| G Johannes             | Co-opted              |  |

*Table 53: Ward 20 Committee Meetings*

**Ward 21: Thembaletu**

| Name of representative | Capacity representing | Date of meetings held during the year   |
|------------------------|-----------------------|---|
| JS Thanda              | Councillor            | 30 September 2013 (AR)<br>27 November 2013 (M)<br>26 February 2014 (M)<br>21 May 2014 (M) |
| B Baliti               | Health & Welfare      |   |
| B R Tom                | Community Safety      |   |
| D Dingiswayo           | Religious Groupings   |   |
| J Booisen              | Business              |   |
| S Tyokolo              | Sport                 |   |
| S Nkata                | Environment           |   |
| A Maneer               | Women                 |   |
| N Mpumlo               | Arts & Culture        |   |
| NG Mbanjana            | CBO                   |   |

*Table 54: Ward 21 Committee Meetings*

**Ward 22: Bo-dorp, Camphersdrift, Rural Areas, Diepkloof, Sinksabrug, Waboomskraal, Herold, Geelhoutboom, Hoogekraal**

| Name of representative | Capacity representing | Date of meetings held during the year   |
|------------------------|-----------------------|---|
| PH de Swardt           | Councillor            | 4 September 2013 (M)<br>19 November 2013 (M)<br>25 February 2014 (M)<br>3 June 2014 (M) |
| A Barnard              | Agriculture           |   |
| D Windsor              | Community Safety      |   |
| H Claasen              | Education             |   |
| J Windvogel            | Health & Welfare      |   |
| JS van der Walt        | Religious Groupings   |   |
| M Andrag               | Sport                 |   |
| N Reimann              | Tourism               |   |
| D Bruiners             | Women                 |   |
| D de Kock              | Agriculture           |   |
| D McEwan Erasmus       | Senior Citizens       |   |

*Table 55: Ward 22 Committee Meetings*

**Ward 23: Delville Park, Groenewyde Park, Herolds Bay, Buffelsfontein, Oubaai, Hansmoeskraal, Syferfontein, Rooirivier, Le Grande, Bos en Dal**

| Name of representative | Capacity representing | Date of meetings held during the year |
|------------------------|-----------------------|---------------------------------------|
| GJ Stander             | Councillor            | 17 February 2014                      |
| E Scheepers            | Business              | 19 August 2013 (M)                    |

| Name of representative | Capacity representing | Date of meetings held during the year |
|------------------------|-----------------------|---------------------------------------|
| H Williams             | CBO                   |                                       |
| SK Hauptfleisch        | Health & Welfare      |                                       |
| D Pijoos               | Women                 |                                       |
| HA du Plessis          | Ratepayers            |                                       |
| S Gericke              | Agriculture           |                                       |
| CA Steyn               | Environmental Affairs |                                       |
| A Skippers             | Youth                 |                                       |

*Table 56: Ward 23 Committee Meetings*

**Ward 24:** Haarlem, Ongelegen, Avontuur, Noll (including surrounding areas)

| Name of representative | Capacity representing | Date of meetings held during the year                              |
|------------------------|-----------------------|--|
| AM Wildeman            | Councillor            | 2 September 2013 (M)<br>29 October 2013 (M)<br>3 February 2014 (M) |
| D Hodgson              | Commercial farmers    |  |
| J Arendse              | New farmers           |  |
| D van Zyl              | Business              |  |
| M Brinkhuis            | Community Safety      |  |
| J Visagie              | Health Committee      |  |
| MJ du Preez            | Sport & Culture       |  |
| M Antonie              | Women&                |  |
| E Edwards              | Environment & Tourism |  |
| CR Fortuin             | Religious Groupings   |  |

*Table 57: Ward 24 Committee Meetings*

**Ward 25:** Uniondale, Ezeljacht, Rooirivier, (including surrounding areas)

| Name of representative | Capacity representing | Date of meetings held during the year                             |
|------------------------|-----------------------|---|
| M E F Kleynhans        | Councillor            | 19 September 2013 (M)<br>11 November 2013 (M)<br>02 June 2014 (M) |
| W A Decelly            | Business              |   |
| A Tarentaal            | CBO                   |   |
| R Britz                | Education             |   |
| D Meiring              | Religious Groupings   |   |
| J Esau                 | Sport                 |   |
| J de Kock              | Health                |   |
| S Human                | Welfare               |   |
| L Howell               | Agriculture           |   |
| J Fry                  | Youth                 |   |



| Name of representative | Capacity representing | Date of meetings held during the year |
|------------------------|-----------------------|---------------------------------------|
| P Philiso              | Community Safety      |                                       |

*Table 58: Ward 25 Committee Meetings*

## Component C: Corporate Governance

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

### 2.4 Risk Management

Section 62 of the Municipal Finance Management Act (MFMA), no. 56 of 2003, states that the Accounting Officer should take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control as well as the effective, efficient and economical use of the resources of the municipality.

The internal audit activity was tasked to oversee the risk management process in terms of the following as prescribed by NT Public Sector Risk Management Framework:

*“(5) In case where the Internal Auditor assumes the role of the Chief Risk Officer, his/her risk management responsibilities include:*

*(a) assisting Management to develop the risk management policy, strategy and implementation plan;*

*(b) coordinating risk management activities;*

*(c) facilitating identification and assessment of risks;*

*(d) recommending risk responses to Management; and*

*(e) developing and disseminating risk reports.*

*(6) When assisting Management in establishing or improving risk management processes, Internal Auditing must refrain from assuming management responsibilities for risk management.”*

Although the Internal Audit Activity facilitated the above, management took ownership of risks and the mitigation thereof.

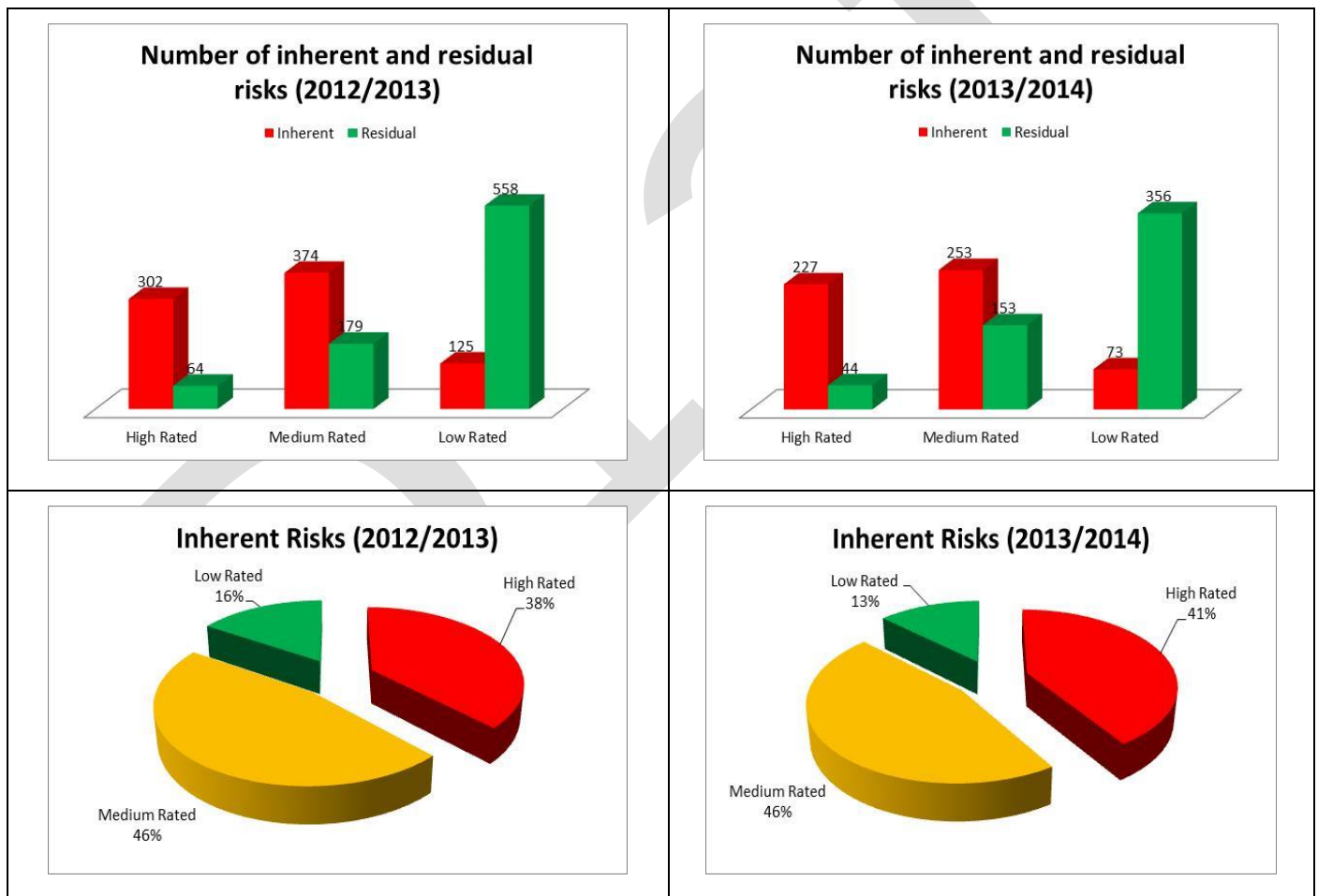
George Municipality has made significant progress with risk assessment and risk management processes over the past few years. Operational risk assessments were performed on a continuous basis during the 2013/2014 financial year, by the departments, as quarterly risk reporting on, amongst others, additional risks, deleted risks, changes to risk data, risks that materialised and risks that should be escalated for senior management intervention was implemented. The departments also discussed the risks on a continuous basis at quarterly departmental meetings.

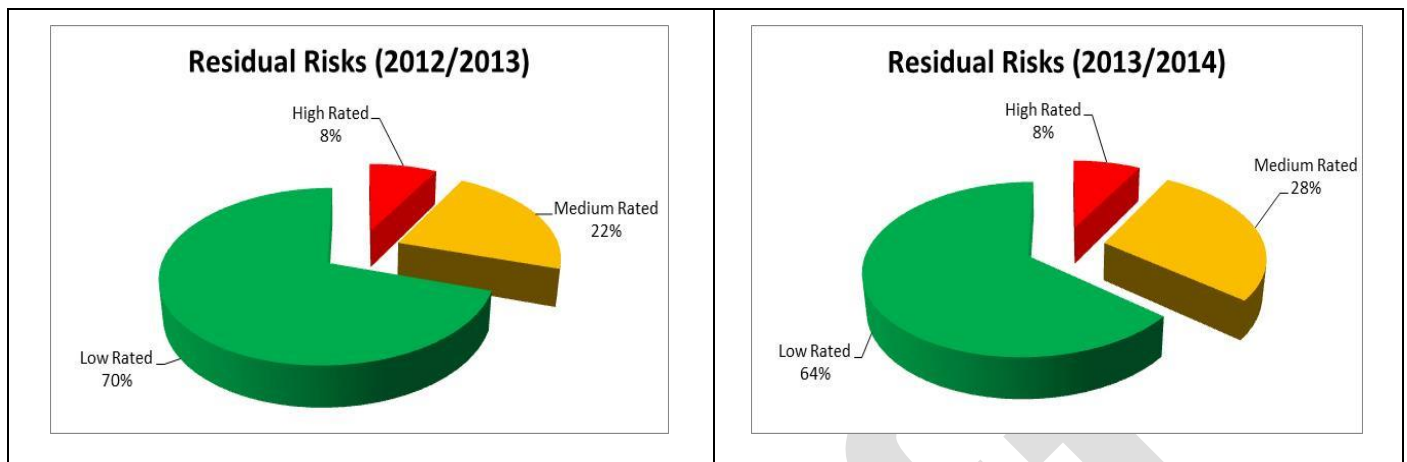
## 2.4.1 Risk profile

The annual risk assessment, compared to the previous risk assessment, reflected the following change in risk profile:

| 2012/2013       |            |             |            |             | 2013/2014       |            |             |            |             |
|-----------------|------------|-------------|------------|-------------|-----------------|------------|-------------|------------|-------------|
| Risk Categories | Inherent   | Inherent    | Residual   | Residual    | Risk Categories | Inherent   | Inherent    | Residual   | Residual    |
| High Rated      | 302        | 38%         | 64         | 8%          | High Rated      | 227        | 41%         | 44         | 8%          |
| Medium Rated    | 374        | 47%         | 179        | 22%         | Medium Rated    | 253        | 46%         | 153        | 28%         |
| Low Rated       | 125        | 16%         | 558        | 70%         | Low Rated       | 73         | 13%         | 356        | 64%         |
| <b>Total</b>    | <b>801</b> | <b>100%</b> | <b>801</b> | <b>100%</b> | <b>Total</b>    | <b>553</b> | <b>100%</b> | <b>553</b> | <b>100%</b> |

Table 59: Risk Profile





**Graph 1: Inherent and residual risks**

The total number of risks decreased by 31% from 801 (Quarter 2 of 2012/2013) to 553 (Quarter 2 of 2013/2014).

## 2.4.2 Top ten risks

The 2013/2014 Top 10 Institutional Risks were reviewed and updated through a collaborative process. The updated list of Top 10 institutional risks are as follows:

| Ranking | Description                                 |
|---------|---|
| 1       | Financial Viability                         |
| 2       | Maintaining infrastructure                  |
| 3       | Inadequate standard of service delivery     |
| 4       | Dissatisfaction of the community            |
| 5       | Weaknesses in governance and accountability |
| 6       | Deficiencies in staff skills and capacity   |
| 7       | Increasing indigents and poverty            |
| 8       | Inefficient investment in Capex             |
| 9       | Poor level of compliance                    |
| 10      | Safety and security                         |

**Table 60: Top Ten Risks**

## 2.5 Anti-Corruption and anti-fraud

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

## 2.5.1 Developed Strategies

| Name of strategy  | Developed<br>Yes/No | Date Adopted/Reviewed |
|---|---------------------|-----------------------|
| Anti-fraud & anti-corruption policy                           | Yes                 | 28 November 2012      |
| Anti-fraud & anti-corruption strategy and implementation plan | Yes                 | 28 November 2012      |

*Table 61: Strategies: Anti-corruption and Anti-fraud*

The structural strategies according to the Anti-Fraud and Anti-Corruption Strategy and implementation plan include the establishment of an Anti-Fraud and Anti-Corruption Committee that will oversee the approach of the Municipality approach to fraud prevention, fraud detection strategies and response to fraud and corruption incidents reported by employees or other external parties. The Section 80 Finance Committee fulfils this role.

The following are some of the strategies identified in the Fraud Prevention Strategy with an indication of the progress in this regard:

## 2.5.2 Implementation of Strategies

| Strategies to implement  | Key Risk Areas  | Key measures to curb corruption and fraud   |
|--|---|---|
| Prevention – First line of defense. A proactive, broad-based approach through which the municipality implements mechanisms and interventions that are meant to protect it from fraud and corruption. | <ul style="list-style-type: none"> <li>❖ Systems and controls not properly implemented.</li> <li>❖ Inherent weaknesses can be exploited.</li> </ul>                     | <ul style="list-style-type: none"> <li>❖ Awareness of managers, staff and community of the risks of fraud and corruption.</li> <li>❖ Level of training.</li> <li>❖ Level of communication.</li> </ul>   |
| Detection – Second line of defense. Systematic and structured manner through which the municipality will search and encourage reporting of incidences.   | <ul style="list-style-type: none"> <li>❖ Searching of incidences lacking.</li> <li>❖ Reporting of incidences</li> </ul>   | Design of controls to ensure there are no irregularities in terms of supply chain, expenditure and compliance with procedures.  |
| Investigation – Formal process through which an allegation is subject to In-depth investigation in order for the municipality to make and execute decisions.   | <ul style="list-style-type: none"> <li>❖ All allegations not investigated.</li> <li>❖ Outcomes of the investigations not communicated.</li> </ul>                       | <ul style="list-style-type: none"> <li>❖ Referral of matters to be based on a zero-tolerance approach.</li> <li>❖ Prosecution to be linked to investigation when necessary.</li> </ul>  |
| Resolution – Process through which the outcomes of the investigation process is utilised to make and implement decisions aimed at resolving the matter.  | <ul style="list-style-type: none"> <li>❖ Disciplinary actions not taken.</li> <li>❖ Civil recovery not made.</li> <li>❖ Referral to other agencies not made.</li> </ul> | <ul style="list-style-type: none"> <li>❖ Communication of outcomes to all key stakeholders.</li> <li>❖ From the municipality's perspective, the desired outcome where fraud and corruption has indeed been perpetrated is disciplinary action, civil recovery and where applicable criminal investigation.</li> </ul> |

*Table 62: Implementation of the Anti-corruption and Anti-fraud Strategies*

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## 2.6 Audit Committee/s

The Municipality Audit Committee, appointed in terms of Section 166 of the MFMA, has also been appointed as the Performance Audit Committee.

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must –

(a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- ❖ internal financial control and internal audit;
- ❖ risk management;
- ❖ accounting policies;
- ❖ the adequacy, reliability and accuracy of financial reporting information;
- ❖ performance management;
- ❖ effective governance;
- ❖ compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
- ❖ performance evaluation; and
- ❖ any other issues referred to it by the municipality

### 2.6.1 Functions of the Audit Committee

The Audit Committee have the following main functions as prescribed in section 166 (2) (a-e) of the Municipal Finance Management Act, 2003 which is further supplemented by the Local Government Municipal and Performance Management Regulation as well as the approved Audit Committee charter:

- ❖ To advise the Council on all matters related to compliance and effective governance.
- ❖ To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual Division of Revenue Act (DoRA) and other applicable legislation.
- ❖ Respond to the council on any issues raised by the Auditor-General in the audit report.
- ❖ To carry out such investigations into the financial affairs of the municipality as the council may request.
- ❖ perform such other functions as may be prescribed.
- ❖ To review the quarterly reports submitted to it by the internal audit.
- ❖ To evaluate audit reports pertaining to financial, administrative and technical systems.
- ❖ To review the performance management system and make recommendations in this regard to Council.
- ❖ To identify major risks to which Council is exposed and determine the extent to which risks have been minimised.
- ❖ Review the plans of the Internal Audit function and in so doing; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- ❖ Provide support to the Internal Audit function.
- ❖ Ensure that no restrictions or limitations are placed on the Internal Audit section.
- ❖ Evaluate the activities of the Internal Audit function in terms of their role as prescribed by legislation.

## 2.6.2 Members of the Audit Committee

| Name of representative | Capacity    | Meeting dates     |
|------------------------|-------------|-------------------|
| J Stoffels             | Chairperson | ❖ 23 August 2013  |
| G Harris               | Member      | ❖ 25 October 2013 |
| A Dippenaar            | Member      | ❖ 5 December 2013 |
| A Potgieter            | Member      | ❖ 31 January 2014 |
|                        |             | ❖ 28 March 2014   |
|                        |             | ❖ 30 May 2014     |

Table 63: Members of the Audit Committee

## 2.6.3 Municipal Audit Committee Recommendations

Formal reports are submitted to Council on recommendations for implementation to address control weaknesses; the Audit Committee regularly follow up with Internal Audit and Management on state of corrective action implemented. Furthermore, the Audit Committee also have sight of various internal and external reports and providing comments where necessary.

The following recommendations by the committee were, inter alia, approved by the Council.

| Date of meeting                       | Committee recommendations during 2013/14   |
|---------------------------------------|--|
| ❖ 23 August 2013<br>❖ 25 October 2013 | <p><b>a. Communications by the Chairperson</b><br/>Attention to be given to the following areas:</p> <ul style="list-style-type: none"> <li>❖ Risk Management Committee: Effective and efficient establishment and implementation of the Risk Management Committee meetings.</li> <li>❖ ITRON service level agreement: Concerns regarding the reliance on the tender document only and not a separate Service Level Agreement (SLA) being entered into as well.</li> <li>❖ Theft at the Motor Vehicle Licensing offices: Adequate controls should be implemented in order to prevent similar future theft incidents.</li> </ul> <p><b>b. Draft budget</b><br/>Attention to be given to the following areas:</p> <ul style="list-style-type: none"> <li>❖ An agreement between all relevant parties to support the revenue enhancement programs.</li> </ul> <p><b>c. Examination and review of draft annual financial statements</b><br/>The Audit Committee's appreciation, relating to the financial statements, to be conveyed to the Finance Team.</p> <p><b>d. Human Resources</b><br/>Feedback to be provided on the Audit Committee's concerns relating to the HR Committee's functionality and the consideration of reviving the HR Steering Committee.</p> <p><b>e. Municipal Reporting in terms of sections 52, 71 and 72 of the MFMA</b><br/>Attention to be given to the following areas:</p> <ul style="list-style-type: none"> <li>❖ The effectiveness of the in-house credit control function.</li> <li>❖ Implementation of the Integrated Transport System.</li> </ul> <p>It should be noted that the following could be potential findings in the upcoming external audit:</p> <ul style="list-style-type: none"> <li>❖ Material under-spending on capital and operational budget</li> <li>❖ Pension fund liability</li> <li>❖ Non-funded budget</li> </ul> <p><b>f. Long term financial planning</b><br/>Consideration should be given to the newest Census results and the effect thereof on the long term financial plan. The long term financial plan should be updated accordingly and a copy</p> |



| Date of meeting   | Committee recommendations during 2013/14   |
|-------------------|--|
|                   | <p>be provided to the Audit Committee. It should be confirmed that the latest long term financial plan is placed on the municipal website as per legislative requirements.</p> <p><b>g. Risk Management</b><br/>The established Risk Committee meetings and functions should be implemented. Attention should be given to:</p> <ul style="list-style-type: none"> <li>❖ The incorporation of the identified risks within the budget and IDP processes.</li> <li>❖ Mitigation of the risks identified.</li> <li>❖ Identification and communication of emerging risks.</li> </ul> <p><b>h. Internal Audit</b><br/>The Internal Audit champions assigned in each directorate should actively follow up on the status of implementation of all internal and external audit recommendations pertaining to their respective directorates. Quarterly reporting on the status of implementation should be done by each Internal Audit champion to their directors who in turn should report on the status to the Municipal Manager. Summaries can then be provided to both the Audit Committee and to Council.</p> <p><b>i. MPAC</b><br/>Feedback regarding the next scheduled MPAC meeting should be communicated to the Audit Committee.</p> |
| ❖ 5 December 2013 | <p><b>a. Going concern</b><br/>That a report be submitted by the Chief Financial Officer to the Audit Committee on the basis of determining the Municipality as a going concern.</p> <p><b>b. Human Resources</b><br/>That Council endeavour that the scheduled meetings of the Local Labour Forum and Employment Equity forums take place.</p> <p><b>c. Long term financial planning</b><br/>That the long term financial plan should be finalised and submitted to Council and the Audit Committee.</p> <p><b>d. Internal Audit</b><br/>That the Internal Audit champions assigned in each directorate should actively follow up on the status of implementation of all internal and external audit recommendations pertaining to their respective directorates. That quarterly reporting on the status of implementation be done by each Internal Audit champion to their directors who in turn report on the status to the Municipal Manager. Summaries can then be provided to both the Audit Committee and to Council.</p>   |
| ❖ 31 January 2014 | <p><b>a. Communications by the Chairperson</b><br/>Attention to be given to the following areas:</p> <ul style="list-style-type: none"> <li>❖ Service providers should be evaluated in terms of Section 116(2)(d).</li> <li>❖ Relevant controls should be put in place to address and prevent the future accrual of leave balances in excess of 48 days.</li> <li>❖ IT risks relating to Ignite and Collaborator which have been reported.</li> </ul> <p><b>b. Long term financial planning</b><br/>Consideration should be given to the newest Census results and the effect thereof on the long term financial plan. The long term financial plan should be an integrated document, it should be updated accordingly and a copy be provided to the Audit Committee.</p> <p><b>c. Internal Audit</b><br/>The Internal Audit champions assigned in each directorate should actively follow up on the status of implementation of all internal and external audit recommendations pertaining to their respective directorates.</p>  |
| ❖ 28 March 2014   | <p><b>a. Communications by the Chairperson</b><br/>The potential non-compliance to the Overtime Policy and Basic Conditions of Service should be reviewed and a report prepared.</p> <p><b>b. Information Technology</b><br/>The appointment of an appropriately qualified and experienced IT Manager should be finalised as soon as possible.</p> <p><b>c. Long term financial planning</b><br/>The update of the Long Term Financial Plan should be completed as soon as possible.</p> <p><b>d. Performance Management</b></p>   |

| Date of meeting | Committee recommendations during 2013/14   |
|-----------------|--|
|                 | <p>Inputs should be obtained from Ignite and other sources in order to finalise and agree on the method of interpretation and application of the scoring related to the Directors' performance evaluations.</p> <p><b>e. Internal Audit</b><br/>The Internal Audit champions assigned in each directorate should actively follow up on the status of implementation of all internal and external audit recommendations pertaining to their respective directorates.<br/>Quarterly reporting on the status of implementation should be done by each Internal Audit champion to their directors who in turn should report on the status to the Municipal Manager. Summaries can then be provided to both the Audit Committee and to Council.</p> <p><b>f. Self-assessment by Audit Committee</b><br/>That the self-assessment report by the Audit Committee attached as Annexure "A" be noted by Council</p> |
| ❖ 30 May 2014   | To be submitted to Council In July 2014.   |

*Table 64: Municipal Audit Committee Recommendations*

## 2.7 Internal Auditing

Section 165 (2) (a), (b) and (c) of the MFMA requires that:

The internal audit unit of a municipality must –

- (a) prepare a risk based audit plan and an internal audit program for each financial year; and
- (b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:
  - (i) Internal audit;
  - (ii) internal controls;
  - (iii) accounting procedures and practices;
  - (iv) risk and risk management;
  - (v) performance management;
  - (vi) loss control; and
  - (vii) compliance with this Act, the annual Division of Revenue Act and another applicable legislation; and
- (c) perform such other duties as may be assigned to it by the accounting officer.

The Internal Audit function is outsourced to Ernst & Young. With the appointment of the Internal Audit Manager in the latter part of 2011, George Municipality's IA function has effectively changed to a co-sourced function. Risk assessments are conducted on a regular basis and informed the compilation of the 3 year rolling internal audit plan.

The results of the approved 3-year rolling internal audit plan (after amendments were processed relating to the 2013/14 financial year) are included below:



| Ref   | Description of activity   | Audit unit type | Initial Risk Assessment | Coverage by Auditor General | 2010 to 2013                   | 3-year plan: 2013 to 2016 |                          |                          |
|---|---|-----------------|-------------------------|-----------------------------|--------------------------------|---------------------------|--------------------------|--------------------------|
|   |   |                 |                         |                             | Previous 3-year cycle coverage | 2013/ 2014                | 2014/ 2015               | 2015/ 2016               |
| Planning and Control                                  |   |                 |                         |                             |                                |                           |                          |                          |
| 1   | Detailed Internal Audit Plan and Costing                                      | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 2   | Audit Committee (AC) meetings / papers / secretariat (4 meetings pa)          | MP              | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 3   | Performance Audit Committee items (combined with AC)                          | MP              | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 4   | Internal Audit Steering Committee (12 meetings per annum)                     | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 5   | Internal Audit Steering Committee - Update of IA Charter                      | TS              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 6   | Audit quality control   | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 7   | Engagement administration   | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| Routine Program Items <input type="checkbox"/>        |   |                 |                         |                             |                                |                           |                          |                          |
| 8   | Cash counts: Quarterly  | RPI             | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| Annual Routine Program Items <input type="checkbox"/> |   |                 |                         |                             |                                |                           |                          |                          |
| 9   | Risk assessment - Review and update prior year                                | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 10  | Risk assessment - Battlefield compilation                                     | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 11  | Risk assessment - Review of NT Risk Assessment                                | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 12  | Risk assessment - Six monthly risk reporting                                  | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 13  | Risk assessment - Reviewing of Risk Treatment Plans                           | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 14  | Risk assessment - Top 40 risks and monitoring processes (Incl Top 10 update)  | TS              | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 15  | Billing system (water / electricity / rates / sewerage / refuse / flat rates) | RPI             | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 16  | Prepaid electricity income  | RPI             | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 17  | External audit liaison  | MP              | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 18  | AG Report and Management letter follow-up                                     | MLP             | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 19  | Water consumption (every 6 months)  | RPI             | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 20  | Cash counts: Annual   | TS              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 21  | Stock counts: Annual  | TS              | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 22  | Routine MLP follow ups  | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |

| Ref                 | Description of activity  | Audit unit type | Initial Risk Assessment  | Coverage by Auditor General | 2010 to 2013                   | 3-year plan: 2013 to 2016 |                          |                          |
|---------------------|--|-----------------|--------------------------|-----------------------------|--------------------------------|---------------------------|--------------------------|--------------------------|
|                     |  |                 |                          |                             | Previous 3-year cycle coverage | 2013/ 2014                | 2014/ 2015               | 2015/ 2016               |
| Other Program Items |  |                 |                          |                             |                                |                           |                          |                          |
| 23                  | PMS and Organisational Structure - Quarterly reporting             | MP              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 24                  | PMS - Directors' POE testing                                       | MP              | <input type="checkbox"/> | <input type="checkbox"/>    | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 25                  | Relevant Legislation and Regulations                               | MP              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 26                  | Asset Management   | BP              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 27                  | Asset Management - Phase 2   | BP              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 28                  | Financial Cycles - Employee Cost                                   | TS              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 29                  | Financial Cycles - Revenue and Receivables                         | TS              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 30                  | Financial Cycles - Purchases and Payables                          | TS              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 31                  | Financial Cycles - Assets and Liabilities                          | TS              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 32                  | Internal Control Testing (6 monthly)                               | TS              | H                        | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 33                  | VAT Audit  | TS              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 34                  | PAYE Audit   | TS              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 35                  | Financial Statement Review   | TS              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 36                  | Financial Statement Close Process (G Higgins - 6 monthly updates)  | TS              | H                        | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 37                  | Financial Statement Operating Procedure Manual - Initial process   | TS              | H                        | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 38                  | Financial Statement Operating Procedure Manual - Quarterly testing | TS              | H                        | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 39                  | Supply Chain Management  | BP              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 40                  | Tariff Listing   | BP              | H                        | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 41                  | Risk Management  | BP              | H                        | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 42                  | Risk Management - Policy review                                    | BP              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 43                  | Risk Management - Reporting to Council (6 monthly)                 | BP              | H                        | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 44                  | IT Audit (Data Analytics (Payroll / Billing / Supply Chain) etc)   | BP              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 45                  | Corporate Governance   | BP              | H                        | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 46                  | Corporate Governance - King III Assessment                         | TS              | H                        | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |

| Ref  | Description of activity  | Audit unit type | Initial Risk Assessment | Coverage by Auditor General | 2010 to 2013                   | 3-year plan: 2013 to 2016 |                          |                          |
|--|--|-----------------|-------------------------|-----------------------------|--------------------------------|---------------------------|--------------------------|--------------------------|
|  |  |                 |                         |                             | Previous 3-year cycle coverage | 2013/2014                 | 2014/2015                | 2015/2016                |
| 47   | Corporate Governance - Checklists (refer Corporate Governance - King III Assessment) | TS              | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 48   | Corporate Ethics (refer Corporate Governance)  | BP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 49   | GAMAP/GRAP   | SP              | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 50   | Leave records: Monthly terminations  | SP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 51   | IT Steercom  | SP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 52   | HR Steercom  | SP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 53   | CAE Forum meetings   | SP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 54   | Contract Management  | SP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 55   | Fraud Prevention - Fraud Risk Assessment (Initial)                                   | TS              | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 56   | Fraud Prevention - Fraud Risk Assessment (Annual review)                             | TS              | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 57   | Fraud Prevention - Policy review   | TS              | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 58   | Fraud Prevention - Presentation and policy roll out                                  | TS              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 59   | Fraud Prevention - Assess policy and procedures (6 monthly)                          | TS              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 60   | Fraud Prevention - ICFC  | TS              | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 61   | Internal Audit - Policies and Procedures Manual (IIA Compliant)                      | TS              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 62   | Special - Proclaimed Roads   | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 63   | Website audit  | MP              | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>IMPROVE PROJECTS - MANAGEMENT LETTER FOLLOW-UPS</b> |  |                 |                         |                             |                                |                           |                          |                          |
| 64   | Auditor-General Management Letter follow-up 2010/2011                                | MLP             | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 65   | Entity Level Controls  | MLP             | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 66   | Tariff Listing MLP follow-up   | MLP             | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 67   | Billing System MLP follow-up   | MLP             | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 68   | Capital Contributions MLP follow-up  | MLP             | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 69   | Building Control and Illegal Structures MLP follow-up                                | MLP             | H                       | No                          | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 70   | Prepaid Electricity Income MLP follow-up   | MLP             | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 71   | Internal Control Testing MLP follow-up   | MLP             | H                       | Yes                         | <input type="checkbox"/>       | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |

| Ref  | Description of activity | Audit unit type           | Initial Risk Assessment | Coverage by Auditor General | 2010 to 2013  | 3-year plan: 2013 to 2016 |                          |                          |
|--|-------------------------|---------------------------|-------------------------|-----------------------------|---|---------------------------|--------------------------|--------------------------|
|  |                         |                           |                         |                             | Previous 3-year cycle coverage                      | 2013/ 2014                | 2014/ 2015               | 2015/ 2016               |
| AD HOC ITEMS   |                         |                           |                         |                             |   |                           |                          |                          |
| 72   | Overtime review         | SP                        | H                       | Yes                         | <input type="checkbox"/>                            | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| 73   | Leave Audit             | SP                        | H                       | Yes                         | <input type="checkbox"/>                            | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| Key  | <div></div>             | Suggested projects to add |                         | <div></div>                 | CAE and/or in-house team to address item on IA plan |                           |                          |                          |
| <div>Key to audit unit types:</div> <div><div>MP</div>Management process</div> <div><div>TS</div>Transversal system</div> <div><div>BU</div>Business unit</div> <div><div>BP</div>Business process</div> <div><div>MLP</div>Improve projects (management letter point follow up)</div> <div><div>SP</div>Special Project</div> <div><div>RPI</div>Routine Project Item</div> |                         |                           |                         |                             |   |                           |                          |                          |

**Table 65:3 Year Internal Audit Plan**

Relating to and during the 2013/2014 financial year the following Internal Audit reports were issued:

| No. | Internal Audit Reports issued   |
|-----|---|
| 1   | Termination of employment 176   |
| 2   | Quarterly Cash Counts: Quarter 3 of 2012/2013   |
| 3   | Performance management system quarterly reporting heat maps - 2011/2012 (Quarter 4)             |
| 4   | Performance management system quarterly reporting 2011/2012 (Quarter 4)                         |
| 5   | Termination of employment 177   |
| 6   | Factual findings: consumption of water for the period 1 January 2012 to 31 December 2012        |
| 7   | Water consumption: fluctuations and anomalies for the period 1 January 2012 to 31 December 2012 |
| 8   | Performance management system quarterly reporting heat maps - 2012/2013 (Quarters 1,2&3)        |
| 9   | Performance management system quarterly reporting 2012/2013 (Quarters 1,2&3)                    |
| 10  | Annual stock count 2012/2013  |
| 11  | Annual cash counts 2012/2013  |
| 12  | Quarterly Risk Reporting 2012/2013 (Quarters 1 & 2)   |
| 13  | Performance Management System - Directors' Portfolio of Evidence                                |
| 14  | Termination of employment 178   |
| 15  | Risk Management - Reporting to Council 2013/2014  |
| 16  | Termination of employment 179   |
| 17  | Quarterly cash counts: Quarter 1 of 2013/2014   |
| 18  | Termination of employment 180   |
| 19  | Quarterly Risk Reporting 2012/2013 (Quarters 3 & 4)   |
| 20  | Termination of employment 181   |
| 21  | Termination of employment 182   |

| No. | Internal Audit Reports issued   |
|-----|---|
| 22  | Termination of employment 183   |
| 23  | Termination of employment 184   |
| 24  | Risk Assessment - Top 10 update (2013/2014)   |
| 25  | Tariff Listing 2013/2014  |
| 26  | Termination of employment 185   |
| 27  | Prepaid Electricity Income 2013/2014  |
| 28  | Termination of employment 186   |
| 29  | Water consumption: Fluctuations and anomalies for the period 1 January 2013 to 30 June 2013 |
| 30  | Factual findings: Consumption of water for the period 1 January 2013 to 30 June 2013        |
| 31  | Quarterly cash counts: Quarter 2 of 2013/2014   |
| 32  | Termination of employment 187   |
| 33  | Performance management system quarterly reporting 2013/2014 (Quarter 1)                     |
| 34  | Termination of employment 188   |
| 35  | Billing System (2013/2014)  |
| 36  | Termination of employment 189   |
| 37  | Quarterly cash counts: Quarter 3 of 2013/2014   |

**Table 66: Internal Audit reports issued**

## 2.8 Supply Chain Management

### 2.8.1 Competitive Bids in Excess of R200 000

#### a) Bid Committee Meetings

The following table details the number of bid committee meetings held for the 2013/2014 financial year:

| Bid Specification Committee | Bid Evaluation Committee | Bid Adjudication Committee |
|-----------------------------|--------------------------|----------------------------|
| 95                          | 91                       | 20                         |

**Table 67: Bid Committee Meetings**

#### b) Awards Made by the Bid Adjudication Committee

The bid adjudication committee awarded 42 bids with an estimated value of **R233 Million** (excluding annual store stock bids, technical annual bids and as and when required bids.)

The ten highest bids awarded by the bid adjudication committee are as follows:

| Bid number     | Title of bid                            | Directorate and section | Successful Bidder                                    | Value of bid awarded |
|----------------|---|-------------------------|--|----------------------|
|                |   |                         |  | R                    |
| T/ING/004/2014 | Upgrading of Outeniqua WWTW Inlet Works | Civil Services          | Huber Technology (PTY) Ltd & Khubeka Construction JV | 9 995 000.00         |

| Bid number     | Title of bid  | Directorate and section    | Successful Bidder                 | Value of bid awarded |
|----------------|---|----------------------------|-----------------------------------|----------------------|
|                |   |                            |                                   | R                    |
| ENG008/2013    | Thembaletu UISP Project : Electrification Area 4C   | Electro Technical Services | MDL Electrical cc                 | 5 813 206.05         |
| T/ING013/2013  | The Construction of a New traffic circle and Bus embayment in Sandkraal Rd, Thembaletu and the Upgrading of Maitland and Crystal Avenue intersections, Blanco | Civil Services             | RK Sauer Construction             | 5 789 000.00         |
| ENG004/2014    | Thembaletu UISP Project : Electrification of approximately 500 informal residential units   | Electro Technical Services | MDL Electrical CC                 | 4 485 707.34         |
| OS019/2013     | Transport of bulk waste bins from George waste transfer station to Petro SA   | Environmental Affairs      | Enviro Serv Waste Management Ltd  | 4 435 872.00         |
| T/ING/008/2013 | Upgrading of Albert/Cradock, Albert/Meade and Hope/Market Street Intersections  | Civil Services             | RK Sauer Construction             | 2 824 154.72         |
| T/ING/038/2013 | Construction of Wilderness Village Turning Circle   | Civil Services             | Entsha Henra CC                   | 2 266 003.08         |
| T/ING/008/2014 | Upgrade and maintenance pertaining to George Traffic Signals  | Civil Services             | TMT Services and Suppliers        | 1 826 977.68         |
| T/ING/033/2013 | Thembaletu Bulk Water Pipeline : Phase 2  | Civil Services             | New Adventure Planthire (PTY) Ltd | 1 671 403.93         |
| ENG009/2014    | Completion of Bulk Infrastructure for Erf 325, Pacaltsdorp  | Electro Technical Services | VE Reticulation                   | 1 509 423.84         |

**Table 68: Ten highest bids awarded by bid adjudication committee**

*c) Awards Made by the Accounting Officer*

In terms of paragraph 5 (2) (a) of Council's Supply Chain Management policy, only the Accounting Officer may award a bid which is in excess of R 10 million. The power to make such an award may not be sub-delegated by the Accounting Officer. The bids awarded by the Accounting Officer is as follows:

| Bid number     | Title of bid  | Directorate and section    | Successful Bidder              | Value of bid awarded |
|----------------|---|----------------------------|--------------------------------|----------------------|
|                |   |                            |                                | R                    |
| T/ING/001/2013 | Supply Maintenance and Debt Financing of Public Transport Passenger Vehicles for the George Integrated Public Transport Network | Civil Services             | Mercedes Benz South Africa     | 186 749 158.36       |
| T/ING/031/2013 | Thembaletu Bulk Sewer : Phase 3 & Pacaltsdorp No.1 Sewerage Pump station : Civil Works  | Civil Services             | Entsha Henra cc                | 58 273 191.45        |
| ENG025/2012    | Supply of prepayment Electricity vending system & Services  | Electro Technical Services | Itron Metering Solutions SA    | 48 969 212.80        |
| FIN008/2013    | Raising of Long Term Loan   | Financial Services         | ABSA Bank                      | 18 000 000.00        |
| T/ING/003/2013 | Construction of Civil Services for the Thembaletu Housing Project : Upgrading of Informal Settlements program (UISP) Area 4B    | Civil Services             | Constructive Civil Engineering | 15 529 785.10        |
| T/ING/027/2013 | Upgrading of Kleinkrantz Waste Water Treatment Works  | Civil Services             | KH Joint Venture               | 14 991 000.00        |
| T/ING/032/2013 | Thembaletu Bulk Sewer : Phase 3 & Pacaltsdorp No. 1 Sewerage Pump Station : Mechanical and Electrical Works                     | Civil Services             | Tricom Africa                  | 13 347 752.86        |

**Table 69: Awards made by Accounting Officer**

*d) Appeals Lodged by Aggrieved Bidders*

| Date         | Tender No    | Description   | Awarded to                           | Complainant                                    | Outcome   |
|--------------|--------------|---|--------------------------------------|--|---|
| 01 July 2013 | ENG 004/2013 | Supply and delivery of 3 new one ton Lwb Diesel bakkies | José Ferreira Attorney / Conveyancer | Against the award of tender to Kempston Motors | Dispute unsuccessful. Tenderer with the lowest price was accepted. Taking |

| Date          | Tender No      | Description  | Awarded to                               | Complainant   | Outcome   |
|---------------|----------------|--|--|---|---|
|               |                |  |  |   | into account “the value for money” and an objective criteria in terms of the PPPFA  |
| 4 July 2013   | ENG 001/2005   | Ad-hoc Hire of Vehicles and Machines                         | Multilayer Trade Corporation             | Against the award of tender to Avis                                     | Dispute successful. Outcome reconsidered. Multilayer Trade Corporation successfully supplied Municipality for three years.  |
| 4 July 2013   | ENG 001/2005   | Ad-hoc Hire of Vehicles and Machines                         | Jankelowitz & Schärge obo Eco Car Hire   | Against the award of tender to Avis                                     | Dispute successful. Outcome reconsidered.   |
| 12 July 2013  | T/ING/002/2013 | Minor Civil Works  | George Electrical Rewinders CC           | Against the award of tender to Coastal Armature winders and Supplies CC | Dispute unsuccessful. Tender process was successfully complied with in terms of the Municipality's Supply Chain Policy. Tender specifications were correct and an internal investigation was dealt with thoroughly. |
| 6 August 2013 | ENG 25/2012    | Supply of Pre-Payment Electricity Vending System and Service | Fairbridges                              | Against the rejection of Syntell's tender.                              | Dispute unsuccessful. Tender process was successfully complied with in terms of the Municipality's Supply Chain Policy. Tender specifications were correct and an internal investigation was dealt with thoroughly. |
| 8 August 2013 | T/ING/003/2013 | Construction Thembaletu Housing Project                      | Seaview Plant Hire and Civil Contractors | Against the decision to appoint Constructive Civil Engineering.         | Dispute unsuccessful. Tender process was successfully complied with in terms of the Municipality's Supply Chain Policy. Tender  |



| Date              | Tender No      | Description   | Awarded to                 | Complainant  | Outcome   |
|-------------------|----------------|---|----------------------------|--|---|
|                   |                |   |                            |  | specifications were correct and an internal investigation was dealt with thoroughly.  |
| 13 August 2013    | MM 006 of 2013 | Training for learner driver licenses  | Delco Driving School       | Against the award of tender to Oli4 Driver Training Academy CC | Dispute unsuccessful. Successful tenderer complied with specifications.   |
| 18 September 2013 | BA022/2013     | Supply and fit of curtains and blinds at Zone 9 Community Hall, Qhawa Street, Thembaletu. | Lemon tree and Multi Blind | Against the award to Earl-Nique decorators.                    | Dispute successful, as the specifications were changed by the department, without following the correct SCM process.  |
| 11 October 2013   | DPD 063/2013   | Offer to purchase erven at Stripp and Attahwa street, George                              | Mr & Mrs Louw              | Against the decision to exclude them, based on income          | Dispute unsuccessful, as the cut-off amount for combined income was R20 000.00 and their income was R20 510.00  |
| 14 October 2013   | DPD 098/2013   | Repair & building 9 damaged houses  | Mr E Rooi                  | Against exclusion from site meeting, because of late-coming    | Dispute successful, as he was pre-occupied at housing delivery ceremony in Thembaletu, which was changed by the Housing department.                               |
| 21 January 2014   | T/ING/031/2013 | Thembaletu Bulk Sewer Phase & Pacaltsdorp Sewerage Pump station                           | RK Sauer                   | Against awarding of tender to Entsha Henra                     | Dispute unsuccessful – did not qualify for Phase 2 – had issued summons against municipality – municipality defending case. Court find in favour of municipality. |
| 14 February 2014  | Quote          | New multifunctional colour copier   | Xerox SA                   | Against awarding quote to Minolta                              | Dispute unsuccessful – although price was lowest, their total points were less than Minolta.  |

| Date          | Tender No          | Description  | Awarded to  | Complainant  | Outcome  |
|---------------|--------------------|--|---|--|--|
| 2 April 2014  | TENDER OS 19/2014  | Transport Bulk waste bins from George to PetroSA     | Interwaste  | Against awarding of tender to Enviroserv waste man.  | Dispute unsuccessful – price was higher than Enviroserv.   |
| 3 April 2014  | TENDER 007/2013    | Pre-assessment for revenue enhancement               | PWC   | Against awarding of tender to ESRI                   | Dispute unsuccessful – price and points were higher than ESRI.   |
| 8 April 2014  | TENDER MM 014/2013 | Internal Audit Service 3 years                       | Mazars  | Against awarding of tender to Meyer Otto             | Dispute unsuccessful – tender was found non-responsive during first phase  |
| 16 April 2014 | TENDER MM 014/2013 | Internal Audit Service 3 years                       | Ernst & Young   | Against awarding of tender to Meyer Otto             | Dispute referred to Provincial Treasury – pending.   |
| 12 June 2014  | OS 007/2014        | Repair & waterproofing of roof of traffic department | African Civil Projects  | Against the awarding of tender to MPP Projects       | Dispute unsuccessful, higher price   |
| 17 June 2014  | ENG 014/2014       | Replacement of Electrical Mets                       | GM Construction   | Against the awarding of tender to Izazi Technologies | Dispute unsuccessful – scored 3 <sup>rd</sup> lowest in price and points.  |
| 9 June 2014   | DPD 100/2013       | Toilets ad hoc                                       | African Civil Projects represented by Cilliers Odendaal attorneys | Unhappy about allocation of work                     | Dispute unsuccessful – informed tenderers that repair work is done on an ad-hoc basis. Municipality was summoned – defending case. |
| 9 June 2014   | ENG 015/2014       | Diesel   | Gulfstream  | Against awarding to Montridix                        | Dispute successful – did tender for 500ppm & not 50 ppm re-advertise.  |
| 18 June 2014  | COM 003/2014       | CCTV Cameras   | HVC Tech  | Against the awarding to Suiderkruis                  | Dispute not successful – Suiderkruis lowest price.   |
| 18 June 2014  | COM 003/2014       | CCTV Cameras   | Liquid Technologies   | Against the awarding to Suiderkruis                  | Dispute not successful – tender was found to be non-responsive.  |

Table 70: Appeals Lodged by Aggrieved Bidders

*e) Awards Made to Enterprises within the George Municipal Area*

The following tables details the value of competitive bids awarded to enterprises within the George Municipal Area during the 2013/2014 financial year. (Excluding annual store stock bids, technical annual bids and as and when required bids)

| Number of contracts awarded | Percentage of contracts awarded | Value of contracts awarded |
|-----------------------------|---------------------------------|----------------------------|
|                             |                                 | R                          |
| 26                          | 61,91%                          | 142 784 417.00             |

*Table 71: HDI Bid Awards*

**2.8.2 Formal Written Price Quotations between R30 000 and R200 000**

*a) Awards Made to Enterprises within the George Municipal Area*

The following tables details the value of formal written price quotations between R30 000 and R200 000 awarded to enterprises within the George Municipal area during the 2013/2014 financial year.

| Number of contracts awarded | Percentage of contracts awarded | Value of contracts awarded |
|-----------------------------|---------------------------------|----------------------------|
|                             |                                 | R                          |
| 21                          | 58,34%                          | 2 221 242.00               |

*Table 72: Formal written price quotations between R 30 000 and R 200 000*

**2.8.3 Deviation from Normal Procurement Processes**

Paragraph 36 of Council's Supply Chain Management Policy allows the Accounting Officer to dispense with the official procurement process. Deviations amounting to **R 9 507 041.52** were approved. The following table provides a summary of deviations approved for 2013/14 respectively:

| Directorate                     | Less than R30 000   | Between R30 001 and R200 000 | Between R200 001 and R2 000 000 |
|---------------------------------|---------------------|------------------------------|---------------------------------|
|                                 | R                   |                              |                                 |
| Office of the Municipal Manager | 246 316.21          | 353 558.76                   | 0                               |
| Corporate Services              | 116 854.20          | 0                            | 0                               |
| Civil Engineering Services      | 365 936.86          | 1 696 239.48                 | 790 273.21                      |
| Electro-Technical Services      | 652 392.86          | 886 258.10                   | 1 341 403.93                    |
| Community Services              | 982 104.48          | 492 066.86                   | 248 406.00                      |
| Planning & Housing              | 137 639.77          | 344 996.85                   | 0                               |
| Financial Services              | 188 798.72          | 663 795.23                   | 0                               |
| <b>Total</b>                    | <b>2 690 043.10</b> | <b>4 436 915.28</b>          | <b>2 380 083.14</b>             |

*Table 73: Summary of deviations*

Deviations from the normal procurement processes are monitored closely. Monthly reporting in terms of paragraph 36 of the SCM policy has been complied with.

#### 2.8.4 Logistics Management

The system of logistics management must ensure the following:

The system of logistics management must ensure the following:

- ❖ the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
- ❖ the placing of manual or electronic orders for all acquisitions other than those from petty cash;
- ❖ before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and are in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged, is as quoted in terms of a contract;
- ❖ appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
- ❖ regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
- ❖ Monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

Each stock item at the municipal stores, **Mitchell Street** is coded and is listed on the financial system. Monthly monitoring of patterns of issues and receipts are performed by the Storekeeper.

Inventory levels are set at the start of each financial year. These levels are set for normal operations. In the event that special projects are being launched by departments, such information is not communicated timeously to the Stores section in order for them to gear them to order stock in excess of the normal levels.

Internal controls are in place to ensure that goods and service that are received are certified by the responsible person which is in line with the general conditions of contract.

Regular checking of the condition of stock is performed.

As at 30 June 2014, the value of stock at the municipal stores amounted to **R 10 507 432.47**. For the 2013/2014 financial year, stock to the value of only **R7 392.59** was accounted for as surpluses and **R33 514.80** as deficits.

#### 2.8.5 Disposal Management

The system of disposal management must ensure the following:

- ❖ immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
- ❖ movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;

- ❖ Immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise;
- ❖ All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;
- ❖ Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
- ❖ In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.

We are complying with section 14 of the MFMA which deals with the disposal of capital assets. The disposal process plan was finalized in August 2010 and aims to provide the guidelines for the disposal of all obsolete and damaged assets. Information regarding assets that are to be disposed of has already been collated and the request for approval for disposal will be tabled to Council.

### 2.8.6 Performance Management

The SCM policy requires that an internal monitoring system be established and implemented in order to determine, on the basis of retrospective analysis, whether the SCM processes were followed and whether the objectives of the SCM policy were achieved.

Monitoring of internal processes is an on-going process.

Three of the most important key performance indicators in the SCM unit, is that of turnaround time from the date that requests are received from departments until bids are adjudicated and awarded. The following table details the performance for each of those key performance indicators:

| Key performance indicator   | 2012/13              | 2013/14              |
|---|----------------------|----------------------|
| Ensure that tenders are successfully finalised and awarded within the validity period of the tender to enhance effective delivery of services | 95%                  | 95%                  |
| Submit within 10 days of each quarter a report on the implementation of the supply chain management policy                                    | 4 reports            | 4 reports            |
| Compliance with the SCM Act measured by the limitation of successful appeals against the municipality   | 0 Successful appeals | 5 Successful appeals |

*Table 74: SCM performance indicators*

### 2.8.7 Findings of the Auditor- General on Procurement and Contract Management

Progress has been made with regards to the 2012/13 Auditor-General's audit findings on SCM. With regards to the finding on "Related parties", the declaration form was amended.

## 2.9 By-Laws and Policies

Section 11 of the MSA gives municipal Councils the executive and legislative authority to pass and implement by-laws and policies.

The following by-laws were revised during the 2013/14:

| By-laws developed/revised   | Date of Publication                     |
|---|---|
| Amendment of By-law for Public Amenities  | 22/11/2013: Provincial Gazette no. 7200 |
| Amendment of By-law relating to prevention of public nuisances and public nuisances arising from the keeping of animals | 22/11/2013: Provincial Gazette no. 7200 |
| Amendment of By-law relating to water and sanitation services   | 22/11/2013: Provincial Gazette no. 7200 |
| Amendment of By-law relating to solid waste disposal  | 22/11/2013: Provincial Gazette no. 7200 |
| Rules of Order  | 06/12/2013: Provincial Gazette no. 7208 |
| Amendment of By-law on liquor Trading days and hours  | 01/11/2013: Provincial Gazette no. 7193 |

*Table 75: By-laws*

Below is a list of all the policies developed and reviewed during 2013/14:

| Policies developed/ revised                      | Date adopted |
|--|--------------|
| Supply Chain Management Policy (revised)         | 27 June 2014 |
| Virement Policy (revised)                        | 27 June 2014 |
| Petty Cash Policy (revised)                      | 27 June 2014 |
| Funding and Borrowing & Reserve Policy (revised) | 27 June 2014 |
| Asset Management Policy (revised)                | 27 June 2014 |
| Cash Management & Investment Policy (revised)    | 27 June 2014 |
| Travel & Subsistence Policy (revised)            | 27 June 2014 |
| PPPFA Policy (revised)                           | 27 June 2014 |
| Property Rates Policy (revised)                  | 27 June 2014 |
| Tariff Policy (revised)                          | 27 June 2014 |
| Credit Control Policy (revised)                  | 27 June 2014 |
| Indigent Policy (revised)                        | 27 June 2014 |

*Table 76: Policies*

## 2.10 Website

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

| Documents published on the Municipality's / Entity's Website   | Yes / No | Link   | Publishing Date |
|--|----------|--|-----------------|
| Current annual and adjustments budgets and all budget-related documents for the 2014/15 budget   | Yes      | <a href="http://www.george.gov.za/listings/financial_reports/budget/budget">http://www.george.gov.za/listings/financial_reports/budget/budget</a><br><a href="http://www.george.gov.za/listings/financial_reports/budget/adjustment_budget">http://www.george.gov.za/listings/financial_reports/budget/adjustment_budget</a> | 27/06/2014      |
| All current budget-related policies for the 2014/15 budget   | Yes      | <a href="http://www.george.gov.za/listings/policy">http://www.george.gov.za/listings/policy</a>  | 27/06/2014      |
| The annual report for 2012/13  | Yes      | <a href="http://www.george.gov.za/listings/annual_report/201213">http://www.george.gov.za/listings/annual_report/201213</a>  | 30/01/2014      |
| All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act for 2013/14 and resulting scorecards               | Yes      | <a href="http://www.george.gov.za/listings/performance_agreements">http://www.george.gov.za/listings/performance_agreements</a>  | 06/08/2013      |
| All service delivery agreements for 2013/14  | Yes      | <a href="http://www.george.gov.za/page/service_level_agrees#financial_services">http://www.george.gov.za/page/service_level_agrees#financial_services</a>  | 25/06/2013      |
| All long-term borrowing contracts for 2013/14  | Yes      | <a href="http://www.george.gov.za/listings/long_term_borrowings">http://www.george.gov.za/listings/long_term_borrowings</a>  | 06/08/2013      |
| All supply chain management contracts above a prescribed value for 2013/14   | Yes      | <a href="http://www.george.gov.za/page/publication_of_advertised_competitive_bids#financial_services">http://www.george.gov.za/page/publication_of_advertised_competitive_bids#financial_services</a>  | Monthly         |
| An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2013/14 | Yes      | <a href="http://www.george.gov.za/listings/financial_reports/auction/disposal_of_assets">http://www.george.gov.za/listings/financial_reports/auction/disposal_of_assets</a>  | 31/05/2013      |
| Contracts agreed in Year 1 to which subsection (1) of section 33 apply, subject to subsection (3) of that section  | Yes      | <a href="http://www.george.gov.za/listings/section_75_documents/documents/section_33">http://www.george.gov.za/listings/section_75_documents/documents/section_33</a>  | N/a             |

| Documents published on the Municipality's / Entity's Website                          | Yes / No | Link  | Publishing Date                       |
|---|----------|---|---------------------------------------|
| Public-private partnership agreements referred to in section 120 made in 2013/14      | n/a      | n/a   | n/a                                   |
| All quarterly reports tabled in the council in terms of section 52 (d) during 2013/14 | Yes      | <a href="http://www.george.gov.za/listings/financial_reports/section_52">http://www.george.gov.za/listings/financial_reports/section 52</a> | 30 days after the end of each quarter |

*Table 77: Website Checklist*

## 2.11 Communication

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

Good customer care is clearly of fundamental importance to any organisation. A successful communication strategy therefore links the people to the municipality's programme for the year.

Below is a communication checklist of the compliance to the communication requirements:

| Communication activities                   | Yes/No   |
|--|--|
| Communication unit                         | Yes  |
| Communication strategy                     | In process, the Western Cape Department of Local Government has selected the George Municipality and will appoint a service provider to develop a Communication Strategy and Policy document in the 2014/15 year |
| Communication policy                       |  |
| Customer satisfaction surveys              | No   |
| Functional complaint management systems    | Yes  |
| Newsletters distributed at least quarterly | Yes  |

*Table 78: Communication Activities*



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## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

The constitution of S.A (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of *inter alia*:

- ❖ the promotion of efficient, economic and effective use of resources;
- ❖ accountable public administration;
- ❖ to be transparent by providing information;
- ❖ to be responsive to the needs of the community; and
- ❖ to facilitate a culture of public service and accountability amongst staff.

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players." Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers and the Municipal Entities. This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

#### Legislative requirements

In terms of section 46(1)(a) a municipality must prepare for each financial year a performance report reflecting the municipality's and any service provider's performance during the financial year, including comparison with targets of and with performance in the previous financial year. The report must, furthermore, indicate the development and service delivery priorities and the performance targets set by the municipality for the following financial year and measures that were or are to be taken to improve performance.

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## Organisation performance

Strategic performance indicates how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an on-going basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This report highlight the strategic performance in terms of the municipality's Top Layer Service Delivery Budget Implementation Plan (SDBIP), high level performance in terms of the Strategic objectives and performance on the National Key Performance Indicators prescribed in terms of section 43 of the Municipal Systems Act, 2000.

### A) Performance system followed for the financial year 2013/14

#### Adoption of a Performance Management Framework

The Municipality adopted a Performance Management Framework that was approved by Council in **26 October 2011**.

#### The IDP and the budget

The IDP and the Budget for 2013/14 were approved on **29 May 2013** by Council. The IDP, Budget and performance management is undertaken as a single and integrated process. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

### B) Service Delivery Budget Implementation Plan

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational and directorate level.

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

The MFMA Circular No.13 prescribes that:

- ❖ The IDP and budget must be aligned
- ❖ The budget must address the strategic priorities
- ❖ The SDBIP should indicate what the municipality is going to do during next 12 months
- ❖ The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The Top Layer SDBIP were prepared as described in the paragraphs below and approved by the Executive Mayor on the **25 June 2013**.

### The municipal scorecard (Top Layer SDBIP)

The municipal scorecard (Top Layer SDBIP) consolidates service delivery targets set by Council / senior management and provides an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. Components of the Top Layer SDBIP include:

- ❖ **One-year** detailed plan, but should include a **three-year capital plan**
- ❖ The 5 necessary components includes:
  - Monthly projections of revenue to be collected for each source
    - Expected revenue to be collected NOT billed
  - Monthly projections of expenditure (operating and capital) and revenue for each vote
    - Section 71 format (Monthly budget statements)
  - Quarterly projections of service delivery targets and performance indicators for each vote
    - Non-financial measurable performance objectives in the form of targets and indicators
    - Output NOT input / internal management objectives
    - Level and standard of service being provided to the community
  - Ward information for expenditure and service delivery
  - Detailed capital project plan broken down by ward over three years

Top Layer KPI's were prepared based on the following:

- ◆ Key performance indicators (KPI's) for the programmes / activities identified to address the strategic objectives as documented in the IDP.
- ◆ KPI's identified during the IDP and KPI's that need to be reported to key municipal stakeholders.
- ◆ KPI's to address the required National Agenda Outcomes, priorities and minimum reporting requirements.

It is important to note that the municipal manager needs to implement the necessary systems and processes to provide the POE's for reporting and auditing purposes.

### Amendment of the Top Layer SDBIP

The Top Layer SDBIP was revised with the Adjustments Budget in terms of section 26 (2)(c) of the Municipal Budget and Reporting Regulations and an amended Top Layer SDBIP was approved by the Council on **25 June 2014**. The following were considered in the development of the amended Top Layer SDBIP:

- ❖ Areas to be addressed and root causes of the Auditor-General management letter, as well as the risks identified during the 2012/13 audit
- ❖ Alignment with the IDP, National KPA's, Municipal KPA's and IDP objectives
- ❖ Alignment with the Adjustments Budget

- 
- ❖ Oversight Committee Report on the Annual Report of 2012/13
  - ❖ The risks identified by the Internal Auditor during the municipal risk analysis

### Actual performance

The municipality utilizes an electronic web based system on which KPI owners update actual performance on a monthly basis. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- ❖ The actual result in terms of the target set.
- ❖ A performance comment.
- ❖ Actions to improve the performance against the target set, if the target was not achieved.

It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results updated.

### Monitoring of the Service Delivery Budget Implementation Plan

Municipal performance is measured as follows:

- ◆ Mid-year assessment and submission of the mid-year report to the Mayor in terms of section of Section 72(1) (a) and 52(d) of the MFMA to assess the performance of the municipality during the first half of the financial year.
- ◆ Actual performance is subjected to an internal audit and results of their findings submitted to the Performance Audit Committee.

## C) Individual Performance

### Municipal Manager and Managers directly accountable to the Municipal Manager

The MSA prescribes that the municipality must enter into performance based agreements with the Municipal Manager and Managers directly accountable to the Municipal Manager (s57-employees) and that performance agreements must be reviewed annually. This process is further regulated by the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 (GNR. 805 August 2006). The performance agreements for the Section 57 appointments for the 2013/14 financial year were signed by 31 July 2013 as prescribed.

The appraisal of the actual performance in terms of the signed agreements takes place twice per annum as regulated. The final evaluation of the 2012/13 financial year (1 January 2013 to 30 June 2013) took place on 21 November 2013 and the mid-year performance of 2013/14 (1 July 2013 to 31 December 2013) took place on 15 April 2014. The appraisals are conducted by an evaluation panel as stipulated in the signed performance agreements and in terms of Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 (GNR. 805 August 2006) and consisting of the following:

- 
- ❖ Executive Mayor
  - ❖ Portfolio Chairperson
  - ❖ Municipal Manager
  - ❖ Chairperson of the Audit Committee
  - ❖ Municipal Manager from another municipality

### **Other Municipal Personnel**

The municipality is in process of implementing individual performance management to lower level staff in annual phases.

### **3.2 Strategic Service Delivery Budget Implementation Plan (Top Layer)**

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section provides an overview on the achievements in terms of the Top Layer SDBIP.

In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP according to the Strategic objectives.

The following table explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (KPI's) of the SDBIP is measured:

| Category               | Colour | Explanation   |
|------------------------|--------|---|
| KPI Not Yet Measured   |        | KPI's with no targets or actuals in the selected period |
| KPI Not Met            |        | 0% > = Actual/Target < 75%                              |
| KPI Almost Met         |        | 75% > = Actual/Target < 100%                            |
| KPI Met                |        | Actual/Target = 100%                                    |
| KPI Well Met           |        | 100% > Actual/Target < 150%                             |
| KPI Extremely Well Met |        | Actual/Target > = 150%                                  |

Figure 2: SDBIP Measurement Categories

The overall performance results achieved by the Municipality in terms of the Top Layer SDBIP are indicated in the table and graph below according to the Strategic Objectives:






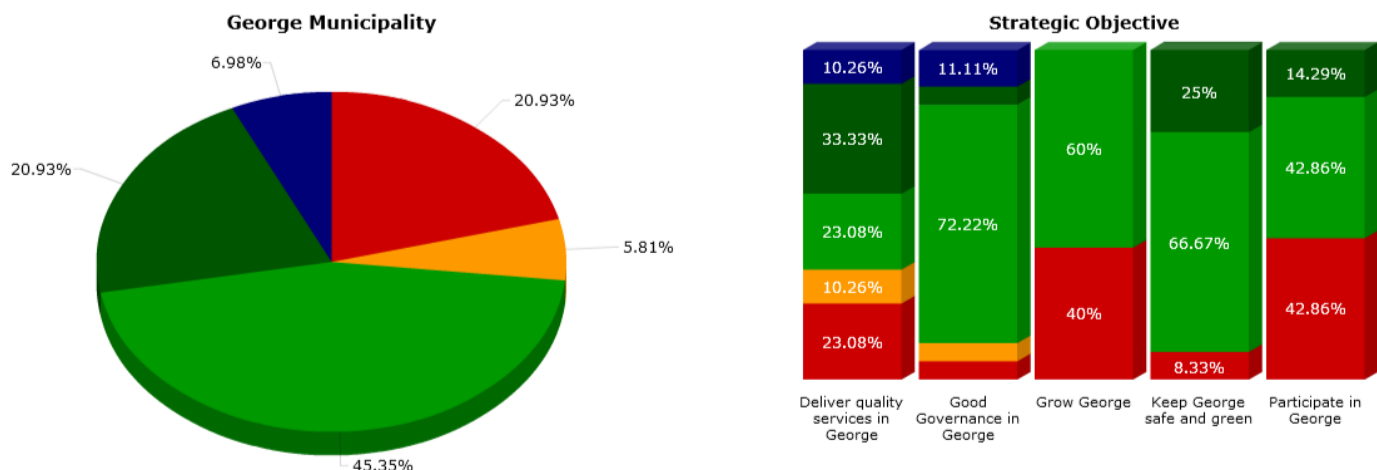
|  | George Municipality        | Strategic Objective                |                            |                         |                            |                           |
|--|----------------------------|------------------------------------|----------------------------|-------------------------|----------------------------|---------------------------|
|  |                            | Deliver quality services in George | Good Governance in George  | Grow George             | Keep George safe and green | Participate in George     |
|  KPI Not Met            | <a href="#">18 (20.9%)</a> | <a href="#">9 (23.1%)</a>          | <a href="#">1 (5.6%)</a>   | <a href="#">4 (40%)</a> | <a href="#">1 (8.3%)</a>   | <a href="#">3 (42.9%)</a> |
|  KPI Almost Met         | <a href="#">5 (5.8%)</a>   | <a href="#">4 (10.3%)</a>          | <a href="#">1 (5.6%)</a>   | -                       | -                          | -                         |
|  KPI Met                | <a href="#">39 (45.3%)</a> | <a href="#">9 (23.1%)</a>          | <a href="#">13 (72.2%)</a> | <a href="#">6 (60%)</a> | <a href="#">8 (66.7%)</a>  | <a href="#">3 (42.9%)</a> |
|  KPI Well Met           | <a href="#">18 (20.9%)</a> | <a href="#">13 (33.3%)</a>         | <a href="#">1 (5.6%)</a>   | -                       | <a href="#">3 (25%)</a>    | <a href="#">1 (14.3%)</a> |
|  KPI Extremely Well Met | <a href="#">6 (7%)</a>     | <a href="#">4 (10.3%)</a>          | <a href="#">2 (11.1%)</a>  | -                       | -                          | -                         |
| <b>Total:</b>  | <b>86</b>                  | <b>39</b>                          | <b>18</b>                  | <b>10</b>               | <b>12</b>                  | <b>7</b>                  |

Table 79: Top Layer SDBIP Performance per Strategic objective

### 3.2.1 Overall performance

The graph below displays the overall performance per Strategic Objective for 2013/14:



Graph 2: Overall Strategic performance per Strategic Objective

### 3.2.2 Actual performance against KPI's set in terms of the Top Layer SDBIP

#### a) Deliver Quality Services in George

| Ref | KPI   | Unit of Measurement                                  | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |    |               |        |                |
|-----|---|--|-------|--|-------------------------|----|----|----|---------------|--------|----------------|
|     |   |  |       |  | Q1                      | Q2 | Q3 | Q4 | Annual Target | Actual | R              |
| TL1 | Host outreach programs and initiatives to create Libraries awareness continuously as per program. | Number of initiatives hosted as per library program. | All   | 40   | 10                      | 10 | 10 | 10 | 40            | 50     | G <sub>2</sub> |
| TL2 | Lodge of awareness programs through monthly exhibitions in Libraries                              | Number of exhibitions held                           | All   | New performance indicator for 2013/14. No audited comparatives available | 24                      | 24 | 24 | 24 | 96            | 108    | G <sub>2</sub> |
| TL3 | Develop a Social Development Strategy and submit to   | Strategy submitted to Council by end March           | All   | 1  | 0                       | 0  | 1  | 0  | 1             | 0      | R              |

| Ref | KPI   | Unit of Measurement  | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |     |               |        |   |
|-----|---|--|-------|--|-------------------------|----|----|-----|---------------|--------|---|
|     |   |  |       |  | Q1                      | Q2 | Q3 | Q4  | Annual Target | Actual | R |
|     | Council by end March  |  |       |  |                         |    |    |     |               |        |   |
|     | <b>Corrective Measures</b>  | Already send a draft policy to council and it's been approved, a draft strategic plan was send to IDP office, still in process to complete the strategic plan. To be submitted to portfolio committee and workshopped. |       |  |                         |    |    |     |               |        |   |
| TL4 | Review of the HIV/Aids policy and submit to Council by end June   | Draft policy submitted to Council by end June  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1   | 1             | 1      | G |
| TL5 | Host special events within municipal area with regard to social development   | Number of special events hosted  | All   | 12   | 2                       | 2  | 2  | 2   | 8             | 8      | G |
| TL6 | Establish a youth Council by end December   | Council established  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 1  | 0  | 0   | 1             | 0      | R |
|     | <b>Corrective Measures</b>  | Matter was postponed during elections. Extended to December 2014. Two forums established in the DMA.   |       |  |                         |    |    |     |               |        |   |
| TL7 | Compile a business plan for the implementation of the energy efficient projects as required by the Department of Energy | Plan compiled  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1   | 1             | 1      | G |
| TL8 | Limit electricity losses to less than 10% (Total sales divided by   | % losses   | All   | 6.61%  | 0%                      | 0% | 0% | 10% | 10%           | 7.39%  | B |



| Ref  | KPI  | Unit of Measurement   | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |    |               |        |   |
|------|--|---|-------|--|-------------------------|----|----|----|---------------|--------|---|
|      |  |   |       |  | Q1                      | Q2 | Q3 | Q4 | Annual Target | Actual | R |
|      | units purchased)   |   |       |  |                         |    |    |    |               |        |   |
| TL9  | Update the Electricity Master Plan for approval by the Portfolio Committee by the end of March                   | Plan approved   | All   | 100%   | 0                       | 0  | 1  | 0  | 1             | 1      | G |
| TL10 | Expand 66kV main network in terms of the approved projects by end June 2014 based on project plan/budget.        | Number of projects completed  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 5  | 5             | 4      | O |
|      | <b>Corrective Measures</b>   | Number of projects reduced during the Adjustment Budget. Projects transferred to 2014/2015. |       |  |                         |    |    |    |               |        |   |
| TL11 | Complete Energy Management Projects to manage demand by end June 2014 based on project plan/budget.              | Number of projects completed  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1  | 1             | 1      | G |
| TL12 | Upgrade and extend 11kV network in terms of the approved projects by end June 2014 based on project plan/budget. | Number of projects completed  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 5  | 5             | 3      | R |
|      | <b>Corrective Measures</b>   | Number of projects reduced during the Adjustment Budget. Projects transferred to 2014/2015. |       |  |                         |    |    |    |               |        |   |
| TL13 | Replace obsolete 11kV switchgear and equipment by end June   | Number of projects completed  | All   | New performance indicator for 2013/14. No                                | 0                       | 0  | 0  | 2  | 2             | 3      | B |

| Ref  | KPI  | Unit of Measurement  | Wards             | Previous Year Actual   | Performance for 2013/14 |    |    |      |               |        |     |
|------|--|--|-------------------|--|-------------------------|----|----|------|---------------|--------|-----|
|      |  |  |                   |  | Q1                      | Q2 | Q3 | Q4   | Annual Target | Actual | R   |
|      | 2014 based on project plan/budget.   |  |                   | audited comparatives available   |                         |    |    |      |               |        |     |
| TL14 | Upgrade obsolete Low Voltage Network cables by end June 2014 based on project plan/budget.   | Number of projects completed   | 4; 14; 18; 19; 25 | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 4    | 4             | 5      | G 2 |
| TL15 | Complete USIP 4C Electrification projects by end June 2014 based on project plan/budget.   | Number of projects completed   | All               | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 3    | 3             | 2      | R   |
|      | <b>Corrective Measures</b>   | Number of projects reduced during the Adjustment Budget. Projects transferred to 2014/2015.  |                   |  |                         |    |    |      |               |        |     |
| TL16 | Replace the Fuel Management System (Petrol Management System) within the budget available by end June 2014 based on project plan/budget. | % of budget spent  | All               | New performance indicator for 2013/14. No audited comparatives available | 0%                      | 0% | 0% | 100% | 100%          | 0%     | R   |
|      | <b>Corrective Measures</b>   | Funds were rolled over to financial year 2014-2015 as contract could not be finalised in time. The tender has now been awarded and will be installed in July 2014. |                   |  |                         |    |    |      |               |        |     |
| TL17 | Install a tracking system in 290 vehicles by end June 2014 based on project plan/budget.   | Number of vehicles   | All               | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 140  | 140           | 140    | G   |

| Ref  | KPI  | Unit of Measurement   | Wards                 | Previous Year Actual   | Performance for 2013/14 |    |    |     |               |        |   |
|------|--|---|-----------------------|--|-------------------------|----|----|-----|---------------|--------|---|
|      |  |   |                       |  | Q1                      | Q2 | Q3 | Q4  | Annual Target | Actual | R |
| TL21 | Replace and upgrade existing fleet by end June 2014 based on project plan/budget.  | Number of vehicles purchased  | All                   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 4   | 4             | 4      | G |
| TL22 | Review the Integrated Human Settlement Plan and submit draft to Human Settlements Committee by end June 2014                   | Plan submitted to Human Settlements Committee by end June 2014.   | All                   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1   | 1             | 1      | G |
| TL26 | Rectify houses in Thembaletu on a continuous basis based on PGWC approval.   | Number of houses rectified by June 2014.  | 9; 10; 12; 13; 15; 21 | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 500 | 500           | 2144   | B |
| TL27 | Provide toilets and wash facilities through serviced sites in Thembaletu Asazani on a continuous basis based on PGWC approval. | Number of toilets and wash facilities provided  | 9; 10; 12; 13         | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 600 | 600           | 328    | R |
|      | <b>Corrective Measures</b>   | The KPI was originally set with the intension to include four areas. The actual is however only for the Asazani area. |                       |  |                         |    |    |     |               |        |   |
| TL39 | Limit water network losses to less than 15% (Difference between water  | % losses  | All                   | 10.66%   | 0%                      | 0% | 0% | 15% | 15%           | 13.53% | B |

| Ref  | KPI   | Unit of Measurement | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |     |               |        |                |
|------|---|---------------------|-------|--|-------------------------|----|----|-----|---------------|--------|----------------|
|      |   |                     |       |  | Q1                      | Q2 | Q3 | Q4  | Annual Target | Actual | R              |
|      | supplied and water billed)  |                     |       |  |                         |    |    |     |               |        |                |
| TL40 | Rehabilitate and upgrade Streets And Stormwater in terms of the approved budget                   | % of budget spend   | All   | New performance indicator for 2013/14. No audited comparatives available | 0%                      | 0% | 0% | 85% | 85%           | 94%    | G <sub>2</sub> |
| TL41 | Rehabilitate and upgrade the Public Transport Network and systems in terms of the approved budget | % of budget spend   | All   | New performance indicator for 2013/14. No audited comparatives available | 0%                      | 0% | 0% | 85% | 85%           | 100%   | G <sub>2</sub> |
| TL42 | Rehabilitate and upgrade Water - Networks in terms of the approved budget                         | % of budget spend   | All   | New performance indicator for 2013/14. No audited comparatives available | 0%                      | 0% | 0% | 85% | 85%           | 97%    | G <sub>2</sub> |
| TL43 | Rehabilitate and upgrade Water- Purification in terms of the approved budget                      | % of budget spend   | All   | New performance indicator for 2013/14. No audited comparatives available | 0%                      | 0% | 0% | 85% | 85%           | 97%    | G <sub>2</sub> |
| TL44 | Rehabilitate and upgrade the Sewerage Networks in terms of the approved budget                    | % of budget spend   | All   | New performance indicator for 2013/14. No audited comparatives available | 0%                      | 0% | 0% | 85% | 85%           | 85%    | G              |

| Ref   | KPI   | Unit of Measurement  | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |        |               |        |                |
|-------|---|--|-------|--|-------------------------|----|----|--------|---------------|--------|----------------|
|       |   |  |       |  | Q1                      | Q2 | Q3 | Q4     | Annual Target | Actual | R              |
|       |   |  |       | tives available  |                         |    |    |        |               |        |                |
| TL45  | Rehabilitate and upgrade the Sewerage Treatment Works in terms of the approved budget | % of budget spend  | All   | New performance indicator for 2013/14. No audited comparatives available | 0%                      | 0% | 0% | 85%    | 85%           | 93%    | G <sub>2</sub> |
| TL46  | Update of the Pavement Management System based on approved budget by end June 2014.   | System updated   | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1      | 1             | 0      | R              |
|       | <b>Corrective Measures</b>  | Depends on funding in new financial year                         |       |  |                         |    |    |        |               |        |                |
| TL47  | Develop a Stormwater Master Plan by end June 2014                                     | Plan developed   | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1      | 1             | 0      | R              |
|       | <b>Corrective Measures</b>  | Awaiting funds in the new financial year, if approved by council |       |  |                         |    |    |        |               |        |                |
| TL106 | Provide free basic electricity to indigent households                                 | Number of households receiving free basic electricity            | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 10,000 | 10,000        | 12,483 | G <sub>2</sub> |
| TL107 | Provide free basic water to indigent households                                       | Number of households receiving free basic water                  | All   | New performance indicator for  | 0                       | 0  | 0  | 36,000 | 36,000        | 16,119 | R              |

| Ref   | KPI  | Unit of Measurement  | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |        |               |        |                |
|-------|--|--|-------|--|-------------------------|----|----|--------|---------------|--------|----------------|
|       |  |  |       |  | Q1                      | Q2 | Q3 | Q4     | Annual Target | Actual | R              |
|       |  |  |       | 2013/14. No audited comparatives available                               |                         |    |    |        |               |        |                |
|       | <b>Corrective Measures</b>   | Measuring fields in SAMRAS reports to be corrected for 2014/2015.  |       |  |                         |    |    |        |               |        |                |
| TL111 | Provide free basic sanitation to indigent households   | Number of households receiving free basic sanitation   | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 14,000 | 14,000        | 14,349 | G <sub>2</sub> |
| TL112 | Provide free basic refuse removal to indigent households   | Number of households receiving free basic refuse removal   | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 15,000 | 15,000        | 14,362 | O              |
|       | <b>Corrective Measures</b>   | Measuring fields in SAMRAS reports to be corrected for 2014/2015.  |       |  |                         |    |    |        |               |        |                |
| TL113 | The percentage of the municipal capital budget actually spent on capital projects identified in terms of the IDP | (Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted for capital projects) X 100 | All   | New performance indicator for 2013/14. No audited comparatives available | 0%                      | 0% | 0% | 75%    | 75%           | 94%    | G <sub>2</sub> |
| TL114 | Number of formal residential properties that receive piped water that is connected to the municipal              | Number of residential properties which are billed for water  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 40,000 | 40,000        | 31,635 | O              |

| Ref   | KPI  | Unit of Measurement   | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |        |               |        |                |
|-------|--|---|-------|--|-------------------------|----|----|--------|---------------|--------|----------------|
|       |  |   |       |  | Q1                      | Q2 | Q3 | Q4     | Annual Target | Actual | R              |
|       | water infrastructure network   |   |       | tives available  |                         |    |    |        |               |        |                |
|       | <b>Corrective Measures</b>   | Measuring fields in SAMRAS reports to be corrected for 2014/2015.   |       |  |                         |    |    |        |               |        |                |
| TL115 | Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas)                   | Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas) | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 34,000 | 34,000        | 39,287 | G <sub>2</sub> |
| TL116 | Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) | Number of residential properties which are billed for sewerage  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 35,000 | 35,000        | 42,845 | G <sub>2</sub> |
| TL117 | Number of formal residential properties for which refuse is removed once per week  | Number of residential properties which are billed for refuse removal  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 45,000 | 45,000        | 41,221 | O              |
|       | <b>Corrective Measures</b>   | Measuring fields in SAMRAS reports to be corrected for 2014/2015.   |       |  |                         |    |    |        |               |        |                |

Table 80: Top Layer SDBIP – Deliver Quality Services in George

## b) Good Governance in George

| Ref  | KPI   | Unit of Measurement  | Wards | Previous Year Actual | Performance for 2013/14 |     |     |        |               |                               |                |
|------|---|--|-------|----------------------|-------------------------|-----|-----|--------|---------------|-------------------------------|----------------|
|      |   |  |       |                      | Q1                      | Q2  | Q3  | Q4     | Annual Target | Actual                        | R              |
| TL80 | Submit the annual financial statements by end August to the Office of the Auditor-General                                     | Financial statements submitted   | All   | 1                    | 1                       | 0   | 0   | 0      | 1             | 1                             | G              |
| TL81 | Monthly reporting on financial viability measured in terms of the available cash to cover fixed operating expenditure         | Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure                              | All   | 3.2                  | 0                       | 0   | 0   | 2.2    | 2.2           | 5.05                          | B              |
| TL82 | Monthly reporting on financial viability measured in terms of the municipality's ability to meet its service debt obligations | Debt coverage ((Total operating revenue- operating grants received)/debt service payments due within the year) | All   | 14.4                 | 0                       | 0   | 0   | 14     | 14            | 12.2                          | O              |
|      | <b>Corrective Measures</b>  | National reporting requirement in terms of Regulation 796, not performance KPI.                                |       |                      |                         |     |     |        |               |                               |                |
| TL83 | Monthly reporting on financial viability measured in terms of the outstanding service debtors                                 | Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)                | All   | 13.30%               | 0%                      | 0%  | 0%  | 16.40% | 16.40%        | 10%                           | B              |
| TL84 | Achieve a monthly payment percentage of above 95%   | Payment % achieved   | All   | 95.54%               | 95%                     | 95% | 95% | 95%    | 95%           | 97.47% (Average for the year) | G <sub>2</sub> |
| TL85 | Complete Supplementary Valuation Rolls  | Number supplementary Valuation rolls completed   | All   | 2                    | 1                       | 0   | 1   | 0      | 2             | 2                             | G              |



| Ref  | KPI   | Unit of Measurement  | Wards | Previous Year Actual   | Performance for 2013/14 |     |     |     |               |        |   |
|------|---|--|-------|--|-------------------------|-----|-----|-----|---------------|--------|---|
|      |   |  |       |  | Q1                      | Q2  | Q3  | Q4  | Annual Target | Actual | R |
| TL86 | Review the Long Term Financial Plan and submit to Council for approval by end March   | Reviewed Long Term Financial Plan submitted to Council   | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0   | 1   | 0   | 1             | 1      | G |
| TL87 | Review the tariff structure and submit to Council for approval by end March   | Reviewed tariff structure submitted to Council   | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0   | 1   | 0   | 1             | 1      | G |
| TL88 | Maintain an unqualified audit opinion   | Unqualified audit opinion achieved   | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 1   | 0   | 0   | 1             | 1      | G |
| TL89 | Fill vacant budgeted posts in line with organisational priority within 3 months after the closure of the advertisements (Number of posts filled within target period/ number of posts advertised) | % budget posts filled within 3 months after the closure of the advisement  | All   | 91.58%   | 90%                     | 90% | 90% | 90% | 90%           | 50.83% | R |
|      | <b>Corrective Measures</b>  | Available dates for Appointment Committee are limited due to Council's Programme and therefore most appointment are not finalised within 3 months. Provision should be made in the Recruitment and Selection Policy that the process should continue although councillors are absent. Dates are planned in advance in line with the Council's program. |       |  |                         |     |     |     |               |        |   |

| Ref  | KPI   | Unit of Measurement                                  | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |      |               |        |   |
|------|---|--|-------|--|-------------------------|----|----|------|---------------|--------|---|
|      |   |  |       |  | Q1                      | Q2 | Q3 | Q4   | Annual Target | Actual | R |
| TL90 | Develop the skills of staff (Actual total training expenditure/ total operational budget)                     | % of total remuneration budget spent on training     | All   | New performance indicator for 2013/14. No audited comparatives available | 0%                      | 0% | 0% | 1%   | 1%            | 1%     | G |
| TL91 | Review the organisational structure annually and submit to Council for approval by end March                  | Reviewed structure submitted to Council by end March | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 1  | 0    | 1             | 1      | G |
| TL92 | Develop an IT Master systems plan and submit draft to Council for approval by end June                        | Draft completed and submitted to Council by end June | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1    | 1             | 1      | G |
| TL93 | Implement an individual performance management system   | Up to post level implemented                         | All   | 7  | 0                       | 0  | 0  | 12   | 12            | 12     | G |
| TL94 | Review the 3 year Internal Audit Plan based on Risk Assessment and submit to audit committee by end September | RBAP submitted                                       | All   | 1  | 1                       | 0  | 0  | 0    | 1             | 1      | G |
| TL95 | Execution of Internal Plan and issuing of Internal Audit Reports  | % of target hours completed                          | All   | 100%   | 0%                      | 0% | 0% | 100% | 100%          | 100%   | G |

| Ref  | KPI  | Unit of Measurement   | Wards | Previous Year Actual | Performance for 2013/14 |    |    |    |               |        |   |
|------|--|---|-------|----------------------|-------------------------|----|----|----|---------------|--------|---|
|      |  |   |       |                      | Q1                      | Q2 | Q3 | Q4 | Annual Target | Actual | R |
|      | based on Internal Audit Plan ((Actual hours completed/ Planned hours to be completed))                       |   |       |                      |                         |    |    |    |               |        |   |
| TL96 | Facilitate the review of the Risk Management Policy and submit to Risk Management Committee by end September | Risk management policy assessment submitted to Risk Management Committee by end September | All   | 1                    | 1                       | 0  | 0  | 0  | 1             | 1      | G |
| TL97 | Submit quarterly reports to Council on the actual performance in terms of the Top Layer SDBIP                | Number of reports submitted to Council  | All   | 4                    | 1                       | 1  | 1  | 1  | 4             | 4      | G |

Table 81: Top Layer SDBIP – Good Governance in George

## c) Grow George

| Ref  | KPI   | Unit of Measurement   | Wards      | Previous Year Actual   | Performance for 2013/14 |    |    |    |               |        |   |
|------|---|---|------------|--|-------------------------|----|----|----|---------------|--------|---|
|      |   |   |            |  | Q1                      | Q2 | Q3 | Q4 | Annual Target | Actual | R |
| TL49 | Maintain and upgrade existing sport facilities as per maintenance and upgrading plan by end June 2014 | Number of projects completed as per maintenance and upgrading plan. | All        | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 2  | 4  | 6             | 6      | G |
| TL50 | Construct new sport facilities  | Number of projects completed  | 14; 16; 25 | New performance indicator for 2013/14.                                   | 0                       | 0  | 0  | 2  | 2             | 2      | G |

| Ref  | KPI   | Unit of Measurement   | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |    |               |        |   |
|------|---|---|-------|--|-------------------------|----|----|----|---------------|--------|---|
|      |   |   |       |  | Q1                      | Q2 | Q3 | Q4 | Annual Target | Actual | R |
|      |   |   |       | No audited comparatives available  |                         |    |    |    |               |        |   |
| TL51 | Update the LED strategy and submit draft to Council for approval by end March                     | Revised LED strategy submitted to Council by end March  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 1  | 0  | 1             | 0      | R |
|      | <b>Corrective Measures</b>  | Process recommendation submitted to Council in January. The approval is pending a Council workshop. Awaiting workshop date from Speaker's office as part of monthly Council programmes. |       |  |                         |    |    |    |               |        |   |
| TL52 | Establish a LED stakeholder platform by end June  | LED stakeholder platform established  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1  | 1             | 0      | R |
|      | <b>Corrective Measures</b>  | Process recommendations submitted to Council. Approval pending Council workshop. Workshop to be scheduled to take place during 2014/2015.   |       |  |                         |    |    |    |               |        |   |
| TL53 | Draft an informal economy policy and submit to Council for approval by end June                   | Informal economy policy submitted to Council by end June  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1  | 1             | 0      | R |
|      | <b>Corrective Measures</b>  | Basic research done and information gathered, but policy not drafted yet. Policy and workshop to be scheduled to take place during 2014/2015.   |       |  |                         |    |    |    |               |        |   |
| TL54 | Development and sign a SLA with the Western Cape Economic Development Partnership by end December | SLA signed  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 1  | 0  | 0  | 1             | 1      | G |

| Ref  | KPI  | Unit of Measurement   | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |     |               |        |   |
|------|--|---|-------|--|-------------------------|----|----|-----|---------------|--------|---|
|      |  |   |       |  | Q1                      | Q2 | Q3 | Q4  | Annual Target | Actual | R |
|      |  |   |       | tives available  |                         |    |    |     |               |        |   |
| TL57 | Submit a report to Council by end December on the possible use of municipal land for forestry purposes   | Report submitted to Council by end December   | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 1  | 0  | 0   | 1             | 1      | G |
| TL59 | Complete a detail business process analysis with recommendation on possible process improvements with regard to red tape reduction and submit to Council by end December | Business process analysis with recommendations submitted to Council by end December | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 1  | 0  | 0   | 1             | 1      | G |
| TL60 | Create FTE's (Full time equivalents) through government expenditure with the EPWP  | Number of FTE's created   | All   | 168  | 0                       | 0  | 0  | 297 | 297           | 199    | R |
|      | <b>Corrective Measures</b>   | Target should have been 201 as per agreement with National Government.              |       |  |                         |    |    |     |               |        |   |
| TL61 | Develop and sign a project specific MOU with the NMMU by end March   | MOU signed with the NMMU  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 1  | 0   | 1             | 1      | G |

Table 82: Top Layer SDBIP – Grow George

## d) Keep George Safe & Green

| Ref  | KPI   | Unit of Measurement   | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |    |               |        |   |
|------|---|---|-------|--|-------------------------|----|----|----|---------------|--------|---|
|      |   |   |       |  | Q1                      | Q2 | Q3 | Q4 | Annual Target | Actual | R |
| TL64 | Achieve Blue Drop status per supply system  | Number of awards received   | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 2  | 2             | 2      | G |
| TL65 | Install radio base system for environmental services by end June 2014 as per approved budget.                                     | Radio base systems installed  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 1  | 0  | 1             | 1      | G |
| TL67 | Review the Disaster Management Plan and submit to Council for approval by end September   | Reviewed plan submitted to Council by end September   | All   | 1  | 1                       | 0  | 0  | 0  | 1             | 0      | R |
|      | <b>Corrective Measures</b>  | Review of Regional Disaster Management Plan completed by Eden District Municipality. George Municipality Disaster Management Plan project to be finalised in 2014/15. |       |  |                         |    |    |    |               |        |   |
| TL68 | Submit monthly reports on the inspection of business sites and fire prevention inspections as per annual plan and where requested | Number reports submitted on inspections conducted   | All   | New performance indicator for 2013/14. No audited comparatives available | 3                       | 3  | 3  | 3  | 12            | 12     | G |
| TL69 | Install 25 CCTV Cameras (Phase 4,5,6)   | Number of cameras installed   | All   | New performance indicator for 2013/14.                                   | 0                       | 0  | 25 | 0  | 25            | 25     | G |

| Ref  | KPI   | Unit of Measurement                | Wards | Previous Year Actual   | Performance for 2013/14 |    |       |    |               |        |                |
|------|---|------------------------------------|-------|--|-------------------------|----|-------|----|---------------|--------|----------------|
|      |   |                                    |       |  | Q1                      | Q2 | Q3    | Q4 | Annual Target | Actual | R              |
|      |   |                                    |       | No audited comparatives available  |                         |    |       |    |               |        |                |
| TL73 | Hold road blocks within the area to enhance road safety   | Number of road blocks held         | All   | 100  | 3                       | 3  | 3     | 3  | 12            | 15     | G <sub>2</sub> |
| TL74 | Conduct awareness & safety initiatives on public safety   | Number of initiatives              | All   | New performance indicator for 2013/14. No audited comparatives available | 3                       | 3  | 3     | 3  | 12            | 12     | G              |
| TL75 | Install security cameras on Council property ( sport grounds and properties as identified in the risk analyses) | Number of cameras installed        | All   | New performance indicator for 2013/14. No audited comparatives available | 4                       | 0  | 0     | 0  | 4             | 5      | G <sub>2</sub> |
| TL76 | Purchase bulk refuse containers   | % of approved project budget spent | All   | New performance indicator for 2013/14. No audited comparatives available | 0%                      | 0% | 100 % | 0% | 100%          | 100%   | G              |
| TL77 | Purchase refuse trucks  | Number of refuse trucks purchased  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0     | 2  | 2             | 2      | G              |

| Ref  | KPI  | Unit of Measurement | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |     |               |        |        |
|------|--|---------------------|-------|--|-------------------------|----|----|-----|---------------|--------|--------|
|      |  |                     |       |  | Q1                      | Q2 | Q3 | Q4  | Annual Target | Actual | R      |
| TL78 | Purchase meter to measure gasses at factories to determine levels according to Air quality act standards | Meter purchased     | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1   | 1             | 1      | G      |
| TL79 | Install lighting in terms of the approved budget   | % of budget spend   | All   | New performance indicator for 2013/14. No audited comparatives available | 0%                      | 0% | 0% | 85% | 85%           | 99.30% | G<br>2 |

Table 83: Top Layer SDBIP – Keep George Safe & Green



e) *Participate in George*

| Ref   | KPI  | Unit of Measurement  | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |    |               |        |                |
|-------|--|--|-------|--|-------------------------|----|----|----|---------------|--------|----------------|
|       |  |  |       |  | Q1                      | Q2 | Q3 | Q4 | Annual Target | Actual | R              |
| TL99  | Develop a customer care policy and submit to Council for approval by end March                         | Draft customer care policy completed and submitted to Council by end March   | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 1  | 0  | 1             | 1      | G              |
| TL100 | Issue external newsletters   | Number of external newsletters issued  | All   | 4  | 1                       | 1  | 1  | 1  | 4             | 4      | G              |
| TL101 | Number of articles published in George Herald. Focus-op  | Number of publications   | All   | 22   | 6                       | 5  | 5  | 6  | 22            | 24     | G <sub>2</sub> |
| TL102 | Compile an internal and external communication strategy and submit to Council for approval by end June | Communication strategy submitted to Council by end June  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1  | 1             | 0      | R              |
|       | <b>Corrective Measures</b>   | George Municipality will partner with Western Cape Department of Local Government and a service provider for the conceptualisation and implementation of the Communication Strategy. Process due to be completed before end of 2014 subject to no delays occurring. Item due for approval of MAYCO 23 July 2014. |       |  |                         |    |    |    |               |        |                |
| TL103 | Complete a customer survey by end June and submit a report with recommendations to Council             | Customer survey completed  | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1  | 1             | 0      | R              |
|       | <b>Corrective Measures</b>   | Suggestion boxes at all venues collated and report will be submitted to Council during October 2014.   |       |  |                         |    |    |    |               |        |                |

| Ref   | KPI  | Unit of Measurement  | Wards | Previous Year Actual   | Performance for 2013/14 |    |    |    |               |        |   |
|-------|--|--|-------|--|-------------------------|----|----|----|---------------|--------|---|
|       |  |  |       |  | Q1                      | Q2 | Q3 | Q4 | Annual Target | Actual | R |
| TL104 | Develop and communicate a client service charter with service standards and submit to Council for approval by end June | Client service charter completed   | All   | New performance indicator for 2013/14. No audited comparatives available | 0                       | 0  | 0  | 1  | 1             | 0      | R |
|       | <b>Corrective Measures</b>   | Client Services Charter based on approved budget related policies will be submitted to Council before November 2014. |       |  |                         |    |    |    |               |        |   |
| TL105 | Revise the ward based plans by end May and include in the IDP  | Number of ward based plans revised and included in the IDP and SDBIP.  | All   | 25   | 0                       | 0  | 0  | 25 | 25            | 25     | G |

**Table 84: Top Layer SDBIP – Participate in George**

## 3.3 Service Providers Performance

Section 76(b) of the MSA states that KPIs should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement. A service provider:

- ❖ means a person or institution or any combination of persons and institutions which provide to or for the benefit of the local community
- ❖ External service provider means an external mechanism referred to in section 76(b) which provides a municipal service for a municipality
- ❖ Service delivery agreement means an agreement between a municipality and an institution or person mentioned in section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality

The tables below provide information related to the performance of identified external service providers.

| Name of service provider   | SYNTELL (PTY)LTD   | Borchards Recycle       | Enviro Services                                | LITHOTEC             | SEBATA                                     | Hayward Building Supplies T/A Built LTD                                | ITRON   | Ernst & Young           |
|--|--|-------------------------|--|----------------------|--|--|---|-------------------------|
| Directorate  | Community Services   | Community Services      | Community Services                             | Financial Services   | Financial Services                         | Human Settlements, Land Affairs and Planning                           | Electro Technical Services  | Municipal Manager       |
| Type of services required  | Supply, Maintenance and Calibration of speed and red-light violation cameras and the administration of a back-office | Collecting of blue bags | Transportation of waste containers to Petro SA | Printing of accounts | Reading of meters for a three year period. | Supply and deliver of Building Material for Flood and Fire Emergencies | Management of prepayment system, Ad hoc services, Super vending, 3rd party vending, Revenue protection and Bank cash deposits | Internal Audit Services |
| Period that services were required   | 2013/2014  | 2013/2014               | 2013/2014                                      | 2013/2014            | 2013/2014                                  | 2013/2014  | 2013/2014   | 2013/2014               |
| Available Budget   | R3 997 000   | R1 755 000              | R4 217 600                                     | R1 678 500           | R 1 410 000                                | R2 700 000   | R15 541 000   | R3 510 000              |
| Actual Spending  | R3 063 823   | R1 558 190              | R3 743 190                                     | R1 587 099           | R 1 961 000                                | R2 678 037   | R14 618 050   | R3 182 318              |
| <b>Key performance indicators and Grading of service rendered</b><br><b>1: Poor – 2: Unsatisfactory – 3: Satisfactory – 4: Good – 5: Excellent</b> |  |                         |  |                      |  |  |   |                         |
| Contract work to specification   | 3  | 2                       | 5  | 3                    | 3  | 4  | 5   | 5                       |
| Contract work within budget  | 4  | 5                       | 5  | 3                    | 3  | 3  | 5   | 5                       |
| Contract delivered on time   | 4  | 2                       | 5  | 3                    | 3  | 3  | 5   | 4                       |
| Contract Administration  | 4  | 2                       | 5  | 3                    | 3  | 3  | 5   | 5                       |
| Compliance with Contract   | 3  | 2                       | 5  | 3                    | 3  | 3  | 5   | 4                       |

| Name of service provider  | SYNTELL (PTY)LTD                                 | Borchards Recycle                 | Enviro Services                  | LITHOTEC  | SEBATA   | Hayward Building Supplies T/A Built LTD   | ITRON  | Ernst & Young                                   |
|---|--|-----------------------------------|----------------------------------|---|--|---|--|---|
| requirements  |  |                                   |                                  |   |  |   |  |   |
| Claims  | n/a  | n/a                               | n/a                              | 3   | 3  | 3   | n/a  | n/a   |
| Incidents on site   | 5  | n/a                               | n/a                              | 3   | 3  | 4   | n/a  | n/a   |
| Suitably qualified/experienced personnel                              | 5  | 2                                 | 5                                | 3   | 3  | 3   | 5  | 5   |
| Job creation/training   | 5  | 3                                 | 2                                | 3   | 3  | n/a                                       | 4  | n/a   |
| Other comments  | n/a  | 2.5                               | 4.5                              |   |  | n/a                                       | Render Ad-hoc services without any charges.                                    | n/a   |
| Overall rating  | 4  | Contract terminated.              | n/a                              | 3   | 3  | 3   | 5  | 5   |
| Action taken with regard to poor and unsatisfactory service providers | Not needed. Had meetings and discussion.         | n/a                               | n/a                              | Regular communication via email and telephone   | Monthly meters reading meetings. Project plan to reduce the number of estimates. Complication of statistics to indicate improvement or deterioration | n/a                                       | n/a  | n/a   |
| Overall recommendations and comments                                  | Performance of Service provider is satisfactory. | Replaced by new service provider. | Recommended for future projects. | The service provider performs well and delivers services within the required time frames. | Pre-empting of problem areas and acting on it. More stringent SLA to be drawn up for future service providers.                                       | Goods delivered in an excellent condition | Render excellent service and recommend to any other Local Government Authority | Delivered successfully on contract commitments. |

Table 85:: Service Provider Performance

### 3.4 Municipal Functions

The municipal functional areas are as indicated below:

| Municipal Function  | Municipal Function:<br>Yes / No |
|---|---------------------------------|
| <b>Constitution Schedule 4, Part B functions:</b>   |                                 |
| Air pollution   | Yes                             |
| Building regulations  | Yes                             |
| Child care facilities   | Yes                             |
| Electricity and gas reticulation  | Only electricity                |
| Firefighting services   | Yes                             |
| Local tourism   | Yes                             |
| Municipal airports  | No                              |
| Municipal planning  | Yes                             |
| Municipal health services   | No                              |
| Municipal public transport  | No                              |
| Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law | Yes                             |
| Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto   | No                              |
| Stormwater management systems in built-up areas   | Yes                             |
| Trading regulations   | Yes                             |
| Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems  | No                              |
| <b>Constitution Schedule 5, Part B functions:</b>   |                                 |
| Beaches and amusement facilities  | Yes                             |
| Billboards and the display of advertisements in public places   | Yes                             |
| Cemeteries, funeral parlours and crematoria   | Yes                             |
| Cleansing   | Yes                             |
| Control of public nuisances   | Yes                             |
| Control of undertakings that sell liquor to the public  | Yes from 2013                   |
| Facilities for the accommodation, care and burial of animals  | Yes                             |
| Fencing and fences  | Yes                             |
| Licensing of dogs   | No                              |
| Licensing and control of undertakings that sell food to the public  | Yes                             |
| Local amenities   | Yes                             |
| Local sport facilities  | Yes                             |
| Markets   | No                              |
| Municipal abattoirs   | No                              |

| Municipal Function                                    | Municipal Function:<br>Yes / No |
|---|---------------------------------|
| Municipal parks and recreation                        | Yes                             |
| Municipal roads                                       | Yes                             |
| Noise pollution                                       | Yes                             |
| Pounds  | Yes                             |
| Public places   | Yes                             |
| Refuse removal, refuse dumps and solid waste disposal | Yes                             |
| Street trading  | Yes                             |
| Street lighting                                       | Yes                             |
| Traffic and parking                                   | Yes                             |

Table 86: Functional Areas

## COMPONENT A: BASIC SERVICES

This component includes basic service delivery highlights and challenges, includes details of services provided for water, waste water (sanitation), electricity, waste management, housing services and a summary of free basic services.

### 3.7 National Key Performance Indicators – Basic Service Delivery and Local Economic Development

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the following two National Key Performance Areas: Basic Service Delivery and Local Economic Development.

| Indicators   | 2012/13  | 2013/14  |
|--|--|--|
| <b>Basic Service Delivery</b>  |  |  |
| The number of households earning less than R 1 100 per month with access to free basic services                            | 15 626   | 16 334   |
| The percentage of households with access to basic level of water   | 97.79%   | 97.79%   |
| The percentage of households with access to basic level of sanitation  | 97.75%   | 97.84%   |
| The percentage of households with access to basic level of electricity   | 96%  | 96%  |
| The percentage of households with access to basic level of solid waste removal   | 100%   | 100%   |
| <b>Local economic development</b>  |  |  |
| The number of <b>jobs created</b> through municipality's local economic development initiatives including capital projects | 1 141 Work Opportunities (447 Full Time Equivalent Jobs) | 858 Work Opportunities (199 Full Time Equivalent Jobs) |

Table 87: National KPIs – Basic Service Delivery and Local Economic Development

Note: The percentages in the table above shows percentages of erven within the urban edge areas.

### 3.8 Total Employees: Civil Engineering Administration

| TASK Job Level    | 2012/13   | 2013/14   |           |                                  |                                   |
|-------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |           | Number    |           | %                                |                                   |
| Senior Management | 1         | 1         | 1         | 0                                | 0                                 |
| 19 – 21           | 1         | 0         | 0         | 0                                | 0                                 |
| 14 – 18           | 4         | 8         | 6         | 2                                | 25                                |
| 9 – 13            | 4         | 4         | 4         | 0                                | 0                                 |
| 4 – 8             | 3         | 9         | 6         | 3                                | 33                                |
| 1 – 3             | 1         | 2         | 2         | 0                                | 0                                 |
| <b>Total</b>      | <b>14</b> | <b>24</b> | <b>19</b> | <b>5</b>                         | <b>21</b>                         |

Table 88: Employees: Civil Engineering Administration

### 3.9 Water Provision

The George Municipality's raw water sources are the Garden Route and Swart River dams, the Touw, Kaaimans and Malgas Rivers, the Ultra Filtration Plant situated at the Outeniqua WWTW, Boreholes as well as the Haarlem Dam and the Holdrif River. The water is treated according to SANS 241: 2011 at the Old and New George Water treatment Works (WTW), Wilderness WTW, Uniondale WTW and Haarlem WTW.

The water distribution systems consists of 865km of pipeline, varying from 50mm to 1000mm in diameter, 28 water pump stations, 40 reservoirs and 3 water towers.

The Master Plans for the municipality's water supply systems are updated on a quarterly basis and all upgrades planned are in line with the current master planning. The Bulk Resources are sufficient and purification capacity is adequate, to ensure growth and development can be accommodated.

#### 3.9.1 Highlights – Water Provision

| Highlight   | Description   |
|---|---|
| Appointment of staff in some of the critical vacant posts                     | Permanent staff appointed in the posts of Process Controllers (2)                 |
| Provision of office facilities at Uniondale and Haarlem Water Treatment Works | Office at Uniondale WTW furnished and office at Haarlem WTW erected and furnished |

Table 89: Highlights: Water Provision

#### 3.9.2 Challenges – Water Provision

| Challenge  | Actions to address   |
|--|--|
| Appointment of properly qualified staff in critical vacant posts | Critical vacant posts need to be budgeted for and filled as a matter of urgency, in order to preserve service levels and comply to legislation |

| Challenge  | Actions to address  |
|--|---|
| Training of internal staff   | Implement training programme for staff not in possession of the required qualifications needed, to perform the functions attached to the posts they are in  |
| Vandalism and theft  | Vastly improved security systems and measures needs to be put in place to protect valuable and critical infrastructure  |
| Water Use License Application (WULA) for Raising GR Dam Spillway and Malgas Pumping Scheme | The water use license application submitted in Dec 2008 and February 2009 have still not been issued by Dept. Water Affairs although the Malgas P/S has been completed and grant funding has been received for the Raising of the GR Dam Spillway (reflected as underspending and KPA not met as project cannot commence without the necessary license) |

Table 90: Challenges: Water provision

### 3.9.3 Water Service Delivery Levels

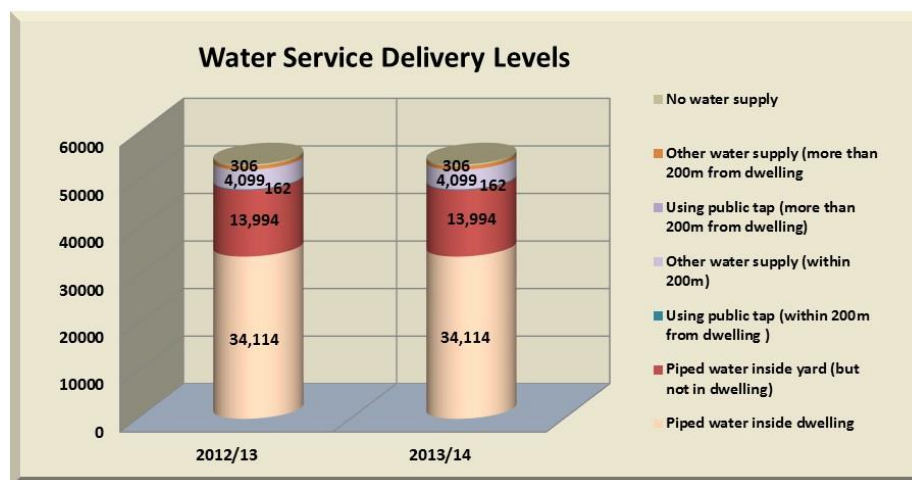
Below is a table that specifies the different water service delivery levels per households for the financial years 2012/13 and 2013/14:

| Description   | 2012/13       | 2013/14       |
|---|---------------|---------------|
|   | Actual        | Actual        |
| <b>Household</b>  |               |               |
| <b><u>Water: (above minimum level)</u></b>              |               |               |
| Piped water inside dwelling                             | 34 114        | 34 114        |
| Piped water inside yard (but not in dwelling)           | 13 994        | 13 994        |
| Using public tap (within 200m from dwelling )           | 162           | 162           |
| Other water supply (within 200m)                        | 4 099         | 4 099         |
| <b>Minimum Service Level and Above Sub-total</b>        | <b>52 369</b> | <b>52 369</b> |
| <b>Minimum Service Level and Above Percentage</b>       | <b>97.79</b>  | <b>97.79</b>  |
| <b><u>Water: (below minimum level)</u></b>              |               |               |
| Using public tap (more than 200m from dwelling)         | 0             | 0             |
| Other water supply (more than 200m from dwelling)       | 758           | 758           |
| No water supply   | 306           | 306           |
| <b>Below Minimum Service Level sub-total</b>            | <b>1 184</b>  | <b>1 184</b>  |
| <b>Below Minimum Service Level Percentage</b>           | <b>2.21</b>   | <b>2.21</b>   |
| <b>Total number of households (formal and informal)</b> | <b>53 553</b> | <b>53 553</b> |

Table 91: Water service delivery levels



The graph below shows the different water service delivery levels per total households:



Graph 3: Water Service Delivery Levels

### 3.9.4 Total employees –Water Services

| TASK Job Level    | 2012/13    | 2013/14    |           |                                  |                                   |
|-------------------|------------|------------|-----------|----------------------------------|-----------------------------------|
|                   |            | Posts      | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |            | Number     |           | %                                |                                   |
| Senior Management | 1          | 0          | 0         | 0                                | 0                                 |
| 19 – 21           | 0          | 0          | 0         | 0                                | 0                                 |
| 14 – 18           | 4          | 2          | 2         | 0                                | 0                                 |
| 9 – 13            | 12         | 11         | 6         | 5                                | 45                                |
| 4 – 8             | 64         | 59         | 36        | 23                               | 39                                |
| 1 – 3             | 46         | 72         | 36        | 36                               | 50                                |
| <b>Total</b>      | <b>127</b> | <b>144</b> | <b>80</b> | <b>64</b>                        | <b>44</b>                         |

Table 92: Employees: Water Services

### 3.9.5 Capital Expenditure – Water Services

| Capital Projects                  | 2013/14 |                   |                    |
|-----------------------------------|---------|-------------------|--------------------|
|                                   | Budget  | Adjustment Budget | Actual Expenditure |
| R'000                             |         |                   |                    |
| Water tanks                       | 100     | 100               | 98                 |
| Thembaletu bulk water line        | 2 000   | 2 000             | 2 000              |
| Thembaletu UISP - water           | 2 506   | 3 431             | 2 945              |
| Mobile radio's - water network    | 25      | 16                | 16                 |
| Pressure & flow testing equipment | 150     | 14                | 14                 |

| Capital Projects                     | 2013/14       |                   |                    |
|--------------------------------------|---------------|-------------------|--------------------|
|                                      | Budget        | Adjustment Budget | Actual Expenditure |
| Water network rehabilitation         | 3 000         | 3 000             | 3 160              |
| CAW59431 (GM2189) - TATA LPK 4       | 300           | 300               | 279                |
| Water meters Borchards               | 220           | 334               | 326                |
| Telemetry & loggers                  | 250           | 250               | 250                |
| CAW52340 (GM2212) - NISSAN DIE       | 650           | 662               | 662                |
| Water trailer                        | 100           | 0                 | 0                  |
| CAW90855 (GM2210) - 500 LT WAT       | 0             | 29                | 28                 |
| CAW41552 (GM2207) - TATA LPT 8       | 300           | 300               | 299                |
| CAW90858 (GM2211) - 500 LT WAT       | 0             | 29                | 28                 |
| Raising garden route dam             | 9 992         | 0                 | 0                  |
| Pick-up truck                        | 200           | 0                 | 0                  |
| Fencing - Kleinkrantz reservoir      | 80            | 80                | 68                 |
| Instrumentation - water purification | 200           | 200               | 199                |
| Office/store: Haarlem WWTW           | 100           | 100               | 97                 |
| Furniture - Haarlem & Uniondale      | 30            | 30                | 29                 |
| Telemetry - water purification       | 250           | 280               | 274                |
| <b>Total</b>                         | <b>20 453</b> | <b>11 155</b>     | <b>10 772</b>      |

Table 93: Capital Expenditure 2013/14: Water Services

### 3.10 Waste water (sanitation) provision

The Master Plans for the municipality's wastewater systems are updated on a quarterly basis and all upgrades planned are in line with the current master planning.

The sewer reticulation system consists of 841km of pipeline varying from 50mm to 1000mm in diameter and 139 sewer pump stations. The wastewater is treated at the Outeniqua, Gwaiing, Herolds Bay, Breakwater Bay, Kleinkrantz, Uniondale and Haarlem WWTW. The Uniondale WWTW was upgraded to address future growth needs, including the 184 low cost housing units and to improve the quality of effluent discharged to comply with DWA standards. Bulk sewer upgrades and new infrastructure is currently under construction to accommodate the approximately 5000 new UISP erven to be provided in Thembaletu.

#### 3.10.1 Highlights – Waste water (sanitation) provision

| Highlight   | Description   |
|---|---|
| Appointment of staff in some of the critical vacant posts | Permanent staff appointed in the posts of Superintendent (Pump stations), Foremen (3), Process Controllers at Uniondale-, Gwaiing and Outeniqua WWTW (7) and General Assistants (9) |

Table 94: Highlights: Waste water (sanitation) provision

### 3.10.2 Challenges – Waste water (sanitation) provision

| Challenge  | Actions to address  |
|--|---|
| Vandalism and theft  | Vastly improved security systems and measures needs to be put in place to protect valuable and critical infrastructure  |
| Appointment of properly qualified staff in critical vacant posts | Critical vacant posts need to be budgeted for and filled as a matter of urgency, in order to preserve service levels  |
| Training of internal staff                                       | Training programme for Process Controllers need to be implemented to ensure compliance with new legislation.  |
| Green Drop   | <p>George Municipality has scored an excellent 84.90% for the 2013 Municipal Green Drop Score. The Green Drop report which was started in 2009, serves as an instrument of regulation to ensure the effective and efficient delivery of sustainable water services, thereby protecting consumers from potentially unsustainable and unsafe services. This strategy to “provide safe water for all forever” is an objective shared nationally as well as globally.</p> <p>The high score was achieved despite the added difficulty of the inclusion of Haarlem and Uniondale in 2011, and whose water services levels were in dire need of an upgrade.</p> <p>Green Drop Status at the Gwaiing, Herolds Bay and Kleinkrantz plants, but for also showing a remarkable improvement at the Uniondale and Haarlem Plants. These plants scores improved from 1% in 2011 to 80% for Uniondale in 2013 and from 15% in 2011 to 83% for Haarlem in 2013 respectively.</p> |

Table 95: Challenges: Waste water (sanitation) provision

### 3.10.3 Waste Water (Sanitation) Service Delivery Levels

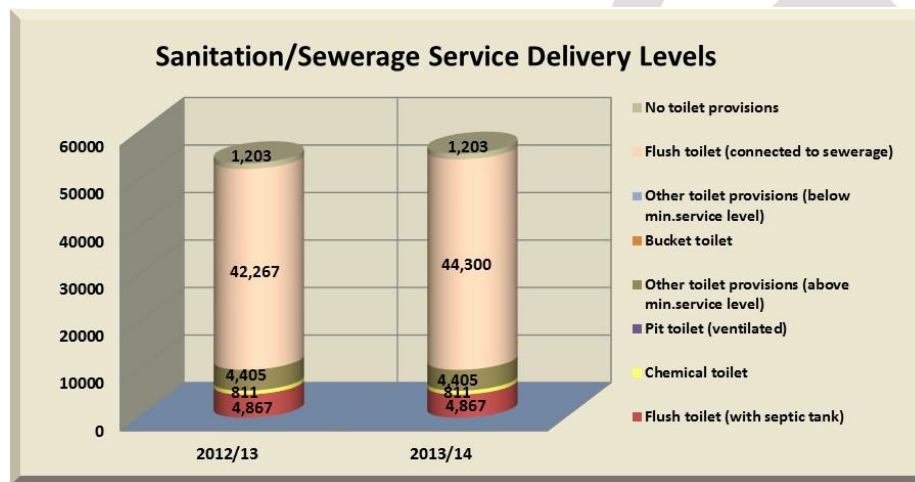
Below is a table that specifies the different sanitation service delivery levels per households for the financial year's 2012/13 and 2013/14

| Description  | 2012/13        | 2013/14        |
|--|----------------|----------------|
|  | Actual         | Actual         |
| <b>Household</b>   |                |                |
| <b><i>Sanitation/sewerage: (above minimum level)</i></b> |                |                |
| Flush toilet (connected to sewerage)                     | 42 267         | 44 300         |
| Flush toilet (with septic tank)                          | 4 867          | 4 867          |
| Chemical toilet  | 811            | 811            |
| Pit toilet (ventilated)                                  | Included above | Included above |
| Other toilet provisions (above minimum service level)    | 4 405          | 4 405          |
| <b><i>Minimum Service Level and Above Sub-total</i></b>  | <b>52 350</b>  | <b>54 383</b>  |
| <b><i>Minimum Service Level and Above Percentage</i></b> | <b>97.75</b>   | <b>97.84</b>   |
| <b><i>Water: (below minimum level)</i></b>               |                |                |
| Bucket toilet  | 0              | 0              |
| Other toilet provisions (below minimum service level)    | 0              | 0              |
| No toilet provisions                                     | 1 203          | 1203           |

| Description                                   | 2012/13       | 2013/14       |
|---|---------------|---------------|
|   | Actual        | Actual        |
| <b>Household</b>                              |               |               |
| <b>Below Minimum Service Level Sub-total</b>  | <b>1 203</b>  | <b>1203</b>   |
| <b>Below Minimum Service Level Percentage</b> | <b>2.25</b>   | <b>2.16</b>   |
| <b>Total number of households</b>             | <b>53 553</b> | <b>55 586</b> |

Table 96: Waste water (Sanitation) service delivery levels

The graph below shows the different sanitation service delivery levels per total households:



Graph 4: Sanitation Service Delivery Levels

#### 3.10.4 Total employees – Waste Water (Sanitation) Services

| TASK Job Level    | 2012/13   | 2013/14   |           |                                  |                                   |
|-------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   | Number    |           |           | %                                |                                   |
| Senior Management | 0         | 0         | 0         | 0                                | 0                                 |
| 19 – 21           | 0         | 0         | 0         | 0                                | 0                                 |
| 14 – 18           | 1         | 2         | 2         | 0                                | 0                                 |
| 9 – 13            | 0         | 8         | 7         | 1                                | 13                                |
| 4 – 8             | 13        | 42        | 21        | 21                               | 50                                |
| 1 – 3             | 3         | 14        | 8         | 6                                | 43                                |
| <b>Total</b>      | <b>17</b> | <b>66</b> | <b>38</b> | <b>28</b>                        | <b>42</b>                         |

Table 97: Employees Waste Water (Sanitation) services

### 3.10.5 Capital Expenditure – Sanitation Services

| Capital Projects                   | 2013/14       |                   |                    |
|------------------------------------|---------------|-------------------|--------------------|
|                                    | Budget        | Adjustment Budget | Actual Expenditure |
| R'000                              |               |                   |                    |
| Pump station thembalethu access    | 350           | 350               | 345                |
| Thembalethu UISP – sewerage E      | 7 397         | 10 127            | 7 328              |
| Sewerage network rehabilitation    | 3 000         | 6 666             | 6 651              |
| Pump station equipment 90KW STA    | 1 500         | 1 923             | 1 894              |
| Upgrade electrical switchgear pump | 1 500         | 1 500             | 1 467              |
| Sewer gulley's ward 16             | 200           | 111               | 111                |
| Thembalethu bulk sewer             | 14 284        | 21 735            | 18 268             |
| Telemetry at pump stations         | 200           | 200               | 139                |
| CAW27887 (GM2190) NISSAN NP300     | 200           | 240               | 240                |
| CAW90854 (GM 2208) - SEWER JET     | 350           | 350               | 256                |
| Kleinkrantz WWTW Extension         | 8 000         | 6 373             | 6 371              |
| Laboratory instruments             | 200           | 206               | 199                |
| Outeniqua plant                    | 850           | 850               | 0                  |
| Outeniqua WWTW refurbish/extension | 3 589         | 3 207             | 3 207              |
| Refurbish aerators - Outeniqua     | 720           | 720               | 720                |
| REFURBISH CHLORINE CONTACT tank    | 110           | 110               | 110                |
| Replace 2 sludge wasting pumps     | 330           | 330               | 329                |
| Upgrade night soil dumping area -  | 220           | 214               | 214                |
| Furniture: Haarlem & Uniondale     | 30            | 30                | 29                 |
| Gwaiing WWTW extension             | 3 000         | 378               | 377                |
| Telemetry                          | 250           | 250               | 208                |
| <b>Total</b>                       | <b>46 280</b> | <b>55 869</b>     | <b>48 463</b>      |

*Table 98: Capital Expenditure 2013/14: Waste Water (Sanitation) Services*

### 3.11 Electricity

The availability and affordability of electricity has become one of the most debated subjects due to Eskom's load shedding and the abnormally high Eskom increases that are carried over to municipal consumers. The loss in income from the sale of electricity and the effect of load shedding has had an enormous impact on the economy of the city and the country. Many consumers are moving to other forms of energy and are even considering generating their own renewable electricity.

The electrification of the informal areas that do not have electricity remains a major challenge. The backlog of about 4500 informal homes must be addressed.

A reduction of complaints logged by community since commencement of maintenance contract in Uniondale is indicative of the improvements that have been made in service delivery since George took over the administration there.

The National Energy Regulator of South Africa (NERSA) approved the tariff increases for 2013/14 and 2014/15 as requested. A new Time-of-Use Imbedded Generation Tariff for domestic clients that install own generation (Photo Voltaic) systems was also approved to accommodate the tendency of clients to provide their own renewable generation of electricity. The tariff makes provision for a Basic charge to cover the municipal network costs.

The table below indicates the Notified Maximum Demand:

| Eskom Supply Points | Notified Maximum Demand (NMD) | Maximum Demand Growth (NMD) | Maximum Demand Peak (NMD) |
|---------------------|-------------------------------|-----------------------------|---------------------------|
| George              | 85 MVA                        | -3.7%                       | 77.565 MVA                |
| Wilderness          | 5 MVA                         | -13%                        | 4.486 MVA                 |
| Uniondale           | 1.5 MVA                       | 6.8%                        | 1.462MVA                  |

*Table 99: Electricity Notified Maximum Demand*

### 3.11.1 Highlights – Electricity

| Highlight   | Description   |
|---|---|
| Electrification of 625 formalised stands in Thembaletu. | The Department of Energy (DoE) awarded an R6m grant for the electrification of about 630 formalised stands in area 4C in Thembaletu that forms part of the UISP project. The project was successfully completed within the allotted time and budget.  |
| Thembaletu Informal areas                               | <p>The electrification of the informal areas in Thembaletu remains a challenge. People demand access to electricity. The illegal connections are done to acquire electricity in their shacks. Providing formal electricity to these areas will mitigate this problem.</p> <p>The prioritisation of electrification is done according to the Informal Settlements Master plan. An electrical master plan for Thembaletu was done to determine the following:</p> <ul style="list-style-type: none"> <li>❖ Which areas can be supplied and when;</li> <li>❖ Determine available capacity on the existing network and transformers;</li> <li>❖ Any upgrades necessary to do the electrification of the formal and informal units;</li> <li>❖ Estimate the cost to supply each area;</li> <li>❖ Estimate the time needed to do the electrification of each area.</li> </ul> <p>Funds were made available to electrify the informal areas in Thembaletu during the February 2014 adjustment budget. A contractor was appointed and material was procured to enable the contractor to begin installation in July 2014. Additional funds have also been provided in 2014/15 to continue with the project</p> |
| Rosedale bulk services                                  | Rosedale 11 kV bulk services have been completed. The completion of this project was delayed because the first contractor was liquidated before the completion of the project and we had to appoint another contractor to complete the work. This project was funded through a DoE grant. The contractor that was liquidated was only paid for work that had been completed.  |
| Street and area lighting in rural areas                 | The installation of street lighting at key points in rural areas supplied by Eskom, such as schools is being addressed. Street lighting at the following schools has been completed: Geelhoutboom, Diepkloof and Langenhoven. Phase 1 of the project to install street lights in in Harold and Haarlem has also been completed.   |
| Upgrading of obsolete low voltage networks.             | A programme to upgrade obsolete low voltage networks was initiated in the early 1990's. Upgrading by replacing obsolete overhead networks with underground cables is still on-going. Unfortunately due to budget constraints projects are limited but overall progress is being made.   |

| Highlight                                 | Description   |
|---|---|
|   | During the 2013-2014 financial year upgrading took place in Heather road Heatherlands, Oos street Pacaltsdorp, 8 <sup>th</sup> Avenue Wilderness and Le Roux street Uniondale.  |
| Upgrading and extension of 11kV networks. | Upgrading of the main 11kV overhead line in Wilderness East was performed to improve reliability and reduce power interruptions.<br>Phase 2 of the 11kV ring feed in Uniondale and replacement of low voltage network en route has been completed. This project has been done entirely by own staff, using local casual labour after the appointment of a municipal electrical official in Uniondale was made to improve the service delivery in that area. The planned work for phase 2 of the project was extended due to the savings achieved by using own staff.  |
| Herolds Bay Substation                    | The next phase of the establishment of a 66kV substation was completed. The phase consisted of the construction of a 66kV overhead line from Syferfontein to Proefplaas Substation. For the interim, the 66kV overhead line will be operated at 11kV until the 66/11kV transformer is installed and commissioned at Herolds Bay substation.<br>The 66/11kV substation building and relevant 11kV switch gear was completed during the 2012-2013 financial year.   |
| Energy Efficiency Projects                | George Municipality has also embarked on an energy efficiency project to reduce the municipalities own energy consumption. We procured a Department of Energy grant for Energy Efficiency and Demand Side Management projects. These funds have been used in accordance with an approved Business Plan to reduce the electrical energy consumed by the municipality and thereby not only assist Eskom during the current energy crisis, but also reduce the municipality's energy bill. A total of 13 235 municipal light bulbs have been replaced with energy saving bulbs throughout the city. Streetlights and municipal building lights have been replaced and we have also changed traffic lights to energy efficient LED bulbs in York, Courtney, Knysna Rd and Nelson Mandela Boulevard. In total we have achieved an annual savings of 2 840 375 kWh which relates to a cost saving of about two million rand per year. These savings have been verified by a professional Measurement and Verification body. |
| TASK job evaluation                       | Service providers were appointed to review the job descriptions of staff to address the dissatisfaction amongst staff. The process was conducted professionally and will be completed during the next financial year. Although the outcomes of the evaluations are not available, staff are mostly satisfied that the process was fair.   |
| Training                                  | George Municipality was the only municipality in the Western Cape that received a National Treasury internships grant to develop local technical graduates. Seven Electrical and mechanical graduates from George and six civil engineering graduate have been employed as interns by George Municipality. These graduates will receive practical training to enable them to register as professionals in their respective fields by the end of their three year term.  |
| Vehicle Tracking System                   | The installation of the vehicle tracking system in all municipal vehicles has commenced. This system will monitor the way vehicles are operated and where they travel. Speed, harsh braking, over revving, etc as well as the use of vehicles during working hours as well as after-hours will be monitored. Approximately half of the fleet has been equipped and the balance will be equipped during the next financial year. We foresee a reasonable saving in transport costs and overtime that will be partially used to recover the cost of the system.   |
| Vandalism and Theft                       | In a decisive stand against continued vandalism affecting service delivery, George Municipality has taken the decision to introduce a reward of R2 500 to be paid out to any person who offers information on vandalism and theft of municipal assets and which information leads to the successful conviction of the perpetrator in a court of law.  |
| Renewable Energy                          | A new Time-of-Use Imbedded Generation Tariff for domestic clients that install own generation (Photo Voltaic) systems for 2014/15 was approved by NERSA to accommodate the tendency of clients to provide their own renewable generation of electricity at their homes. The tariff makes provision for a basic charge to cover the municipal network costs  |

**Table 100:** Highlights: Electricity



### 3.11.2 Challenges – Electricity

| Challenge  | Actions to address   |
|--|--|
| Fast track electrification projects in Uniondale   | No funds have been allocated for the electrification of the housing project consisting of 180 houses in Uniondale. An application for funding will be submitted to the DoE at the first opportunity  |
| Electrification Portions 4A and 4B Thembaletu  | The civil work is nearing completion and residents have moved into homes in the formalised areas without electricity. The DoE made no funds available for the electrification of these areas. An application for R10m bridging funds from the SOA account has been approved and the electrification project will commence in 2014/15. However, the funds will not be sufficient to electrify all the stands in both areas.   |
| Electrification Informal areas- Thembaletu   | Although the municipality has channeled a large portion of the department's capital funds to Thembaletu, the backlog in the supply of electricity to the informal areas remains a challenge. Illegal connections are dangerous and are removed regularly, but they are reconnected soon after we leave the area. The only solution is to supply formal electricity to all as soon as possible.   |
| Bulk Services- Thembaletu  | The Bulk electricity supply to Thembaletu must be upgraded to accommodate the growth in demand for electricity due to our electrification projects. The DoE allocated a grant of R8,9m for this purpose during 2014/15. These funds will be used for the first phase of establishing a 66/11kV substation in Thembaletu. During phase 1, the funds will mainly be used to build a new power line to supply the area.   |
| Uniondale improved electrical maintenance.   | Since the demise of the contractor appointed to attend to complaints in Uniondale in July 2013, when the company was liquidated, the gap in service delivery was temporary filled by an ex-employee who was contracted on a monthly basis. Much was achieved under his hand which elicited the praise of local residents, officials and councillors. A permanent appointment was made and the new incumbent is permanently deployed in Uniondale to attend to complaints and do maintenance on the network. He is also responsible for the daily management of construction projects in Uniondale where we are installing an 11 kV ring feed and replacing a section of overhead low voltage lines along the route using local labour. |
| Eskom Load shedding  | The ability of Eskom to provide sufficient electricity to the municipality during peak periods remains a problem. Various energy saving methods have been introduced and requests are regularly made to our consumers to reduce load. The municipal load control system that is used to switch off geysers during peak periods is used extensively to reduce the possibility of load shedding  |
| Scarce Skills: Core functions are still critically in need of competent staff.             | An organizational study is being done to restructure the department (and entire municipality). The outcome of this report must however be referred to the budgeting processes to address core issues relating to staff shortages. The shortage of scarce skills is also being addressed through the re-evaluation of posts (TASK grading) and a new Scarce skills policy is being work shopped. These items will also have to be referred to a budgeting process to provide sufficient funds to implement them   |
| Vegetation control in order to minimise power outages.                                     | The vegetation control section listed on the departments organogram has never been populated with staff due to a shortage of funds. The number of power outages and complaints from the public clearly show the necessity of this section. The Mayor did indicate in his budget speech for 2014/15 that staff would be appointed in this section during 2014/15.   |
| Vandalism of electrical installations.   | Higher security locking systems to replace current devices and improved enclosures for vulnerable substations are being investigated. A reward system whereby R2 500 is paid out to any person who offers information on vandalism and theft of municipal assets and which information leads to the successful conviction of the perpetrator in a court of law has been introduced. The co-operation between the Electro technical Department and the SAPS is also excellent and we have achieved a number of successes together.  |
| Theft of electricity by means of illegal connections in informal settlements – Thembaletu. | Process of providing safe legal connections is underway. The process takes time but community leaders can greatly assist by constantly informing the residents of the progress and encouraging informal settlers to discontinue their illegal connections which are both dangerous and create unnecessary power failures. The Department regularly removes illegal connections with the assistance of the SAPS, but the illegal connections are replaced immediately thereafter. The only long term solution to the problem is to provide formal electricity to all.   |

**Table 101:**

**Challenges: Electricity**



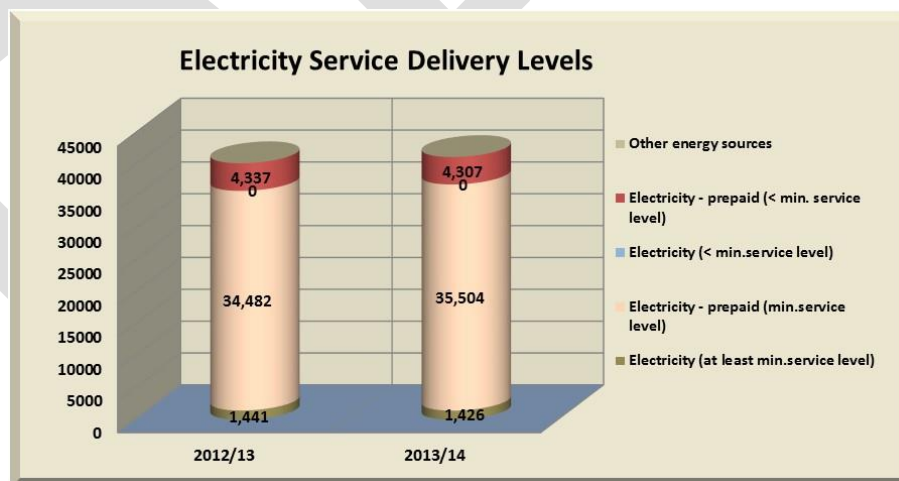
## 3.11.3 Electricity Service Delivery Levels

The table below indicates the different service delivery level standards for electricity within the Municipality and includes informal areas:

| Description  | 2012/13       | 2013/14       |
|--|---------------|---------------|
|  | Actual        | Actual        |
| <b>Household</b>   |               |               |
| <b><i>Energy: (above minimum level)</i></b>              |               |               |
| Electricity (at least minimum service level)             | 1 441         | 1 426         |
| Electricity - prepaid (minimum service level)            | 34 482        | 35 504        |
| <b><i>Minimum Service Level and Above Sub-total</i></b>  | <b>35 923</b> | <b>36 930</b> |
| <b><i>Minimum Service Level and Above Percentage</i></b> | <b>89.2</b>   | <b>89.6</b>   |
| <b><i>Energy: (below minimum level)</i></b>              |               |               |
| Electricity (< minimum service level)                    | 0             | 0             |
| Electricity - prepaid (< min. service level)             | 4 337*        | 4 307*        |
| Other energy sources                                     | 0             | 0             |
| <b><i>Below Minimum Service Level Sub-total</i></b>      | <b>4 337</b>  | <b>4 307</b>  |
| <b><i>Below Minimum Service Level Percentage</i></b>     | <b>10.8</b>   | <b>10.4</b>   |
| <b>Total number of households</b>                        | <b>40 260</b> | <b>41 237</b> |
| *Informal areas only                                     |               |               |

**Table 102:** Electricity Service Delivery Levels

The graph below indicates the different electricity service delivery levels per total households:



**Graph 5: Electricity Service Delivery Levels**

### 3.11.4 Total employees – Electricity Services

| TASK Job Level    | 2012/13    | 2013/14    |            |                                  |                                   |
|-------------------|------------|------------|------------|----------------------------------|-----------------------------------|
|                   |            | Posts      | Employees  | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |            | Number     |            | %                                |                                   |
| Senior Management | 1          | 1          | 1          | 0                                | 0                                 |
| 19 – 21           | 0          | 1          | 0          | 1                                | 100                               |
| 14 – 18           | 5          | 8          | 5          | 3                                | 38                                |
| 9 – 13            | 38         | 90         | 40         | 50                               | 56                                |
| 4 – 8             | 72         | 150        | 73         | 77                               | 51                                |
| 1 – 3             | 7          | 13         | 6          | 7                                | 54                                |
| <b>Total</b>      | <b>123</b> | <b>263</b> | <b>125</b> | <b>138</b>                       | <b>52</b>                         |

**Table 103:** Employees Electricity services

### 3.11.5 Training and Development – Electricity Services

Apart from the daily operational and technical duties, the This Directorate is committed to the training & development of its employees and transferring of skills, which will assist with the capacity building of technical skills within the municipality in order to improve service delivery by having skilled and semi-skilled staff that can provide effective and efficient services to the George Community.

#### Challenges:

Scarce Skills (shortage of skills in the Electrical Engineering field) has been an on-going challenge. This Directorate is severely affected in this regard and is experiencing great difficulty in attracting suitable qualified staff to fill key positions in particular local candidates, due to the national shortage of skilled artisans and technicians. The low municipal salary scales in comparison with Eskom and the private sector also contribute to the problem.

This impedes our focus to provide better services to the George community with qualified & competent staff.

#### Addressing the challenges:

We realised that some of our employees have shown great potential and have the experience to do much of the technical jobs but do not have the required technical qualifications. We further realised the need to implement a long term training and development technical skills programme/ strategy. This strategy or programme would assist us with planning of the career paths of our own staff.

Through this strategy we would be in a position to:

- ❖ Address the national skills shortage in the Electrical technical field;
- ❖ Create promotional opportunities;
- ❖ Build the capacity of the municipality and improve services; and
- ❖ All of this could result in the social upliftment of our staff and the potential to improve their quality of life.

We developed and implemented a training and development technical skills programme in 2007 to address the skilled shortages.

This involved the introduction of the Electrical Engineering Learnerships, Provincial Capacity Building for Municipalities programme and later 2012 the Infrastructure Development grant (Internship) from National Treasury. These programmes all assist in ensuring that we have skilled and semi-skilled staff at Electro Technical Services.

**Highlights:**

The following workers successfully completed their trade test and qualified as Electricians in during 2013/14:

- ❖ Eddie Nqumse
- ❖ Derek Koen
- ❖ Michelle Ohlson
- ❖ Johannes Lawens

The following workers successfully completed NQF level 4 in Electrical Engineering. They still need to complete a trade test successfully in order to qualify as Electricians. The trade test course will be arranged during 2013/14:

- ❖ Melanie Damons
- ❖ Leoni Lee
- ❖ Nkosana Maboza
- ❖ Angus Parks
- ❖ Eddie Nqumse
- ❖ Bradley Da Silva
- ❖ Sivuyile Ditala
- ❖ Ehlridge August – unemployed from the community
- ❖ Charles Plaatjies - unemployed from the community
- ❖ Ashwell Luiters - unemployed from the community

**Highlights: promotional appointments:**

Due to the achievement of the NQF Level 4 qualification in Electrical Engineering, the following workers (Electrical Assistants) have applied for promotional posts and have been successfully promoted from Electrical Assistant to Senior Supervisors with effect from January 2014:

- ❖ Sivuyile Ditala, permanent worker
- ❖ Ehlridge August – unemployed from the community
- ❖ Charles Plaatjies - unemployed from the community
- ❖ Ashwell Luiters - unemployed from the community

As part of our social responsibility to our community we include unemployed people from the community in our training programme.

As a result of the training, one of the unemployed successfully completed his trade test and qualified as an Electrician, the other two were permanently employed as Senior Supervisors.

#### National Treasury Infrastructure Skills Development Grant: 3 years internship programme:

In 2012, National Treasury allocated a grant (DORA) of R12m over 3 year period (July 2012) to George Municipality, to appoint Interns in the Built Environment for a period of three years.

The George Municipality is the first municipality in the Western Cape to have been allocated this grant funding by National Treasury for training within Infrastructure Development.

Thirteen locally based graduates have been appointed and are placed at Electro Technical Services, Fleet Management, and Civil & Technical Services respectively.

The purpose of the Infrastructure Development Grant is as follows:

- ❖ Address the country wide scarce skills problems. Opportunity to Build Capacity within municipalities.
- ❖ Create work opportunities for locally based unemployed graduates.
- ❖ Provide them with the necessary skills and experiences that could make them more marketable and to reduce unemployment amongst the graduates.
- ❖ To appoint local graduates in order to avoid them from looking for jobs elsewhere/other province.

In addition to the R12m over 3 years, (2012/13/14) National Treasury has increased the 2014/15 allocation from R4m to R 8m.

#### Official List of Interns Electrical and Mechanical Engineering:

| Name & Surname                               | Gender | Posts               | Qualifications                               | Date Started    |
|--|--------|---------------------|--|-----------------|
| <b>Electrical and Mechanical Engineering</b> |        |                     |  |                 |
| Thandiswa Bambata)                           | F      | Mechanical Engineer | ND- Mechanical Engineer                      | 1 December 2012 |
| Iwan Janse van Rensburg                      | M      | Artisan: Millwright | Artisan: Trade Test Diploma- Fitter & Turner | 1 December 2012 |
| Siyabonga Gracious Noyakaza                  | M      | Technician          | ND- Electrical Engineer                      | 1 December 2012 |
| Adam-John Willems                            | M      | Electrical Engineer | BTech: Electrical Engineer                   | 1 December 2012 |
| Molosi Anothando                             | F      | Technician          | ND-Electrical Engineer, CPUT                 | 1 April 2013    |
| Bongolwethu Mbakazai                         | M      | Technician          | ND-Electrical Engineer, CPUT                 | 1 April 2013    |
| Rual Jacobs                                  | M      | Technician          | BTech, Electrical Engineer, CPUT             | 1 April 2013    |
| <b>Civil engineering</b>                     |        |                     |  |                 |
| Catherine Koelman                            | F      | Technician          | ND : Civil Engineering                       | 1 March 2013    |
| Basil Bokwe                                  | M      | Technician          | ND : Civil Engineering                       | 1 March 2013    |
| Themba Ndima                                 | M      | Technician          | ND : Civil Engineering                       | 1 March 2013    |

| Name & Surname     | Gender | Posts      | Qualifications            | Date Started |
|--------------------|--------|------------|---------------------------|--------------|
| Charlie Tekana     | M      | Artisan    | Artisan: Bricklayer       | 1 March 2013 |
| Nellis Terblanche  | M      | Technician | ND : Civil Engineering    | 1 March 2013 |
| Vianda van Aswegen | F      | Technician | ND : Chemical Engineering | 1 March 2013 |

**Table 104:** *Official List of Interns*

### Summary:

This Directorate is making a significant contribution to the George Community by

- ❖ Providing training & development to our workers in order to provide skilled staff that will ensure the effective, efficient and quality services to the community;
- ❖ Addressing and enhancing internal capacity building through learnerships, Capacity Building & Training programmes & National Treasury internships programmes for unemployed local graduates; and
- ❖ Create promotional opportunities to our staff once they qualified as artisans and or semi-skilled.

We are committed to improve the quality of service delivery and therefore undertake to provide the necessary training and up-skilling of workers to ensure that service delivery is done effectively & efficiently.

We are committed to network & collaborate with National, Provincial & Local governments & other institutions to ensure the continuation of the training initiatives.

Most importantly we want to assist and play an active role in addressing the technical scarce skills challenges that we are facing.

### 3.11.6 Capital Expenditure – Electricity Services

| Capital Projects                                    | 2013/14       |                   |                    |
|---|---------------|-------------------|--------------------|
|   | Budget        | Adjustment Budget | Actual Expenditure |
| R'000   |               |                   |                    |
| Expansion of 66KV main network                      | 3 800         | 3 946             | 3 478              |
| Energy management                                   | 800           | 800               | 0                  |
| Control protection and communication                | 750           | 750               | 628                |
| Replacement of obsolete 11KV switchgear & equipment | 1 900         | 2 531             | 2 499              |
| Upgrading of obsolete low voltage network cables    | 1 250         | 1 538             | 1 472              |
| Electrification                                     | 6 363         | 10 858            | 8 968              |
| Equipment   | 640           | 863               | 715                |
| Upgrading and extension of buildings                | 160           | 429               | 125                |
| Fleet management                                    | 4 060         | 2 470             | 1 050              |
| Streetlights  | 1 393         | 1 393             | 545                |
| Upgrade and extension of 11kv network               | 2 900         | 1 600             | 1 543              |
| <b>Total</b>  | <b>24 016</b> | <b>27 178</b>     | <b>21 023</b>      |

**Table 105:** Capital Expenditure 2013/14: Electricity Services

### 3.12 Waste management (Refuse collections, waste disposal, street cleaning and recycling)

George Municipality maintains the national standard of one refuse collection per household per week. Refuse collection services were also rolled out to all rural areas within the greater George. All waste is taken to a transfer station where it is compacted in huge containers and transported to Petro SA in Mossel Bay. A total of ± 31 000 ton was transported to Petro SA during the year.

The Municipality also has a blue bag system for recyclables such as paper, tin, glass and plastic. A number of private recycling companies are also operating in George, collecting recyclables. A total of ± 30 000 tons was recycled during 2013/14. Green waste and builder's rubble are received at a landfill site which was developed for that purpose.

One of the biggest problems that the municipality experiences are illegal dumping in the different neighbourhoods. The municipality has appointed a number of community based contractors each with seven workers to clean the streets by collecting all rubbish in black bags which is then transported to the transfer station. 12 Pick-up- Contractors, each with 4 workers, were also appointed to clean-up illegal dumping in all neighbourhoods. Refuse collection stations, specifically for garden waste, were erected in different problem areas where illegal dumping is experienced.

A Greenest/ Cleanest town project coordinator was appointed three years ago to educate the children and the public not to participate in unlawful dumping, but rather to utilise the services of the municipality.

### 3.12.1 Highlights - Refuse Removal (Solid Waste)

| Highlight                                   | Description              |
|---|--------------------------|
| All communities in rural areas are serviced | 20 Places in rural areas |

Table 106: Highlights: Refuse removal

### 3.12.2 Challenges – Refuse Removal (Solid Waste)

| Challenge                         | Actions to address                               |
|-----------------------------------|--|
| Illegal dumping                   | Community contractors and education              |
| Lack of air space for green waste | Landfill to be replaced by a composting facility |

Table 107: Challenges: Refuse removal

### 3.12.3 Refuse Removal (Solid Waste) Service Delivery Levels

The table below indicates the different refuse removal service delivery level standards within the urban edge area of the Municipality:

| Description   | 2012/13       | 2013/14       |
|---|---------------|---------------|
|   | Outcome       | Actual        |
| <b>Household</b>                                    |               |               |
| <b><u>Refuse Removal: (Minimum level)</u></b>       |               |               |
| Removed at least once a week                        | 49 300        | 49 300        |
| <b>Minimum Service Level and Above Sub-total</b>    | <b>49 300</b> | <b>49 300</b> |
| <b>Minimum Service Level and Above Percentage</b>   | <b>100</b>    | <b>100</b>    |
| <b><u>Refuse Removal: (Below minimum level)</u></b> |               |               |
| Removed less frequently than once a week            | 0             | 0             |
| Using communal refuse dump                          | 0             | 0             |
| Using own refuse dump                               | 0             | 0             |
| Other rubbish disposal                              | 0             | 0             |
| No rubbish disposal                                 | 0             | 0             |
| <b>Below Minimum Service Level Sub-total</b>        | <b>0</b>      | <b>0</b>      |
| <b>Below Minimum Service Level percentage</b>       | <b>0</b>      | <b>0</b>      |
| <b>Total number of households</b>                   | <b>49 300</b> | <b>49 300</b> |

Table 108: Refuse removal service delivery levels

### 3.12.4 Total employees – Solid Waste Services

| TASK Job Level    | 2012/13    | 2013/14   |           |                                  |                                   |
|-------------------|------------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |            | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |            | Number    |           | %                                |                                   |
| Senior Management | 0          | 0         | 0         | 0                                | 0                                 |
| 19 – 21           | 0          | 0         | 0         | 0                                | 0                                 |
| 14 – 18           | 2          | 1         | 0         | 1                                | 100                               |
| 9 – 13            | 3          | 6         | 5         | 1                                | 17                                |
| 4 – 8             | 24         | 31        | 13        | 18                               | 58                                |
| 1 – 3             | 77         | 42        | 18        | 24                               | 57                                |
| <b>Total</b>      | <b>106</b> | <b>80</b> | <b>36</b> | <b>44</b>                        | <b>55</b>                         |

**Table 109:** Employees Refuse Removal services

### 3.12.5 Capital Expenditure – Waste Management Services

| Capital Projects                | 2013/14      |                   |                    |
|---------------------------------|--------------|-------------------|--------------------|
|                                 | Budget       | Adjustment Budget | Actual Expenditure |
| <b>R'000</b>                    |              |                   |                    |
| Bulk refuse containers          | 100          | 100               | 99                 |
| Refuse truck for containers     | 4 300        | 0                 | 0                  |
| Waste collection in rural areas | 100          | 100               | 99                 |
| Bell Backhoe Loader             | 1 300        | 760               | 753                |
| Office equipment                | 20           | 20                | 19                 |
| Gas meters for factories        | 250          | 250               | 212                |
| Refuse truck (X2)               | 2 500        | 2 740             | 2 731              |
| <b>Total</b>                    | <b>8 570</b> | <b>3 970</b>      | <b>3 913</b>       |

**Table 110:** Capital Expenditure 2013/14: Waste Management Services

## 3.13 Housing

Since the 1990s there has been a significant influx of people to the Southern Cape and specifically to George. The present waiting list numbers **17 100** whilst in the informal areas we have more than 5557 families living there. The shortage of housing increase on an annual basis.

In the year under review, the first phase of the Thembaletu UISP projects have delivered more than 608 serviced erven and the project itself received was the Govan Mbeki award for the best Upgrading of Informal Settlements project in the Western Cape. This project has subsequently been nominated for the National Govan Mbeki awards later this year.



In Uniondale the two show houses have been completed for the upcoming housing project and the standard thereof is way above the current houses being built on similar projects. Furthermore the provision of basic services for George's informal areas have been completed in this financial year.

### 3.13.1 Highlights - Housing

| Highlight  | Description   |
|--|---|
| Implementation of the Western cape Housing Demand Database System (WCHDDB) | George Municipality is currently in the process of verification and cleansing of data on the WCHDDB-system (Western Cape Demand Database) in order to ensure the integrity of the Housing Demand Database. Up to date excellent progress is made with the cleansing of data. George Municipality has to date shown the best progress in regard to this. |
| Transfers: Erf 325 Housing Project (Rosedale, Pacaltsdorp) : 904 houses    | 900 Houses transferred  |
| Transfers: Touwsrante Housing Project: 396 houses                          | 390 Houses transferred  |
| Uniondale Housing Project: 183 housing opportunities                       | 145 Deeds of Sale signed  |
| Emergency Housing (500 erven)  | 145 Signed agreements   |

**Table 111:** Highlights: Housing

### 3.13.2 Challenges – Housing

| Challenge   | Actions to address   |
|---|--|
| To source enough funds to provide housing opportunities for all its people. | Council has resolved to concentrate on the provision of serviced sites. The PRT was appointed and are attending to Council's housing project pipeline. |

**Table 112:** Challenges: Housing

### 3.13.3 Housing Waiting List

The following table shows a decrease of 22,8% in the number of people on the housing waiting list from 2012/13 to 2013/14:

| Year    | No of people on the list | % increase/(decrease) |
|---------|--------------------------|-----------------------|
| 2012/13 | 22 155                   | 14.7%                 |
| 2013/14 | 17 100                   | (22.8%)               |

**Table 113:** Housing waiting list

### 3.13.4 Total employees – Housing

| TASK Job Level    | 2012/13   | 2013/14   |           |                                  |                                   |
|-------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |           | Number    |           | %                                |                                   |
| Senior Management | 0         | 0         | 0         | 0                                | 0                                 |
| 19 – 21           | 0         | 0         | 0         | 0                                | 0                                 |
| 14 – 18           | 3         | 5         | 5         | 0                                | 0                                 |
| 9 – 13            | 15        | 38        | 15        | 23                               | 60                                |
| 4 – 8             | 10        | 26        | 10        | 16                               | 61                                |
| 1 – 3             | 0         | 0         | 0         | 0                                | 0                                 |
| <b>Total</b>      | <b>28</b> | <b>69</b> | <b>30</b> | <b>39</b>                        | <b>57</b>                         |

Table 114: Employees - Housing

### 3.13.5 Capital Expenditure – Housing

| Capital Projects   | 2013/14      |                   |                    |
|--|--------------|-------------------|--------------------|
|  | Budget       | Adjustment Budget | Actual Expenditure |
| <b>R'000</b>   |              |                   |                    |
| Purchase of vehicles                                       | 350          | 430               | 362                |
| Electrification - Lavalia                                  | 93           | 93                | 19                 |
| Crèche – Phase 1 (Pacaltsdorp)                             | 450          | 450               | 389                |
| Provision of 500 serviced sites (Roads & water) - Rosedale | 0            | 1 393             | 1 024              |
| Motorised access gate at Davidson Court                    | 0            | 15                | 15                 |
| GAP Housing (provision of road) - Lavalia                  | 0            | 200               | 171                |
| Palisade Fence :Masizakhe Crèche - Thembaletu              | 180          | 180               | 143                |
| Paving :Masizakhe Crèche - Thembaletu                      | 215          | 215               | 192                |
| <b>Total</b>   | <b>1 288</b> | <b>2 976</b>      | <b>2 315</b>       |

Table 115: Capital Expenditure 2013/14: Housing

A total amount of **R 60.54** million was allocated by the Provincial Department of Human Settlements in terms of the Division of Revenue Act (DoRA) to build houses, provide serviced erven (UISP) and to purchase land during the 2013/14 financial year under review, includes:

| Financial year | Allocation | Amount spent | % spent | Number of houses built | Number of sites serviced |
|----------------|------------|--------------|---------|------------------------|--------------------------|
|                | R'000      | R'000        |         |                        |                          |
| 2012/13        | 52 831     | 51 775       | 98%     | 156                    | 839                      |
| 2013/14        | 60 540     | 60 408       | 99,78%  | 21                     | 608                      |

**Table 116: Housing**

### 3.14 Free Basic Services and Indigent Support

The following table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than **R3000** per month will receive the free basic services as prescribed by National policy, in terms of George Municipality's indigent policy.

#### 3.14.1 Access to Free Basic Services

| Free Basic Services To Low Income Households |                      |  |    |                       |    |                        |    |                           |    |
|--|----------------------|--|----|-----------------------|----|------------------------|----|---------------------------|----|
| Year   | Number of households |  |    |                       |    |                        |    |                           |    |
|  | Total no of HH       | Households earning less than R 3 000 per month |    |                       |    |                        |    |                           |    |
|  |                      | Free Basic Water                               |    | Free Basic Sanitation |    | Free Basic Electricity |    | Free Basic Refuse Removal |    |
|  |                      | Access   | %  | Access                | %  | Access                 | %  | Access                    | %  |
| 2012/13                                      | 53 551               | 15 626   | 29 | 15 626                | 29 | 15 626                 | 29 | 15 626                    | 29 |
| 2013/14                                      | 55 000               | 16 334   | 30 | 16 334                | 30 | 16 334                 | 30 | 16 334                    | 30 |

**Table 117: Access to Free Basic Services**

An application for indigent subsidy must be completed by all consumers who qualify in terms of George's Indigent Policy. The approval of the application for subsidy is subject to certain criteria as per the policy.

Services subsidised are:

- ❖ Water- Basic charge + 6kl
- ❖ Electricity- basic charge + 70 kWh
- ❖ Sanitation- basic 100 %
- ❖ Refuse- 100 %
- ❖ 100% Rebate on Rates / or Properties valued less than R120 000

Subsidy up to a maximum of **R354.04** per month for basic services.

### Free basic services and indigent support:

Grants received for the 2013/14 book year and specifically reserved for indigent households was **R 85 716 000.00** of which expenditure amounted to **R 78 846 750.78**

Indigent subsidy was also extended to service water leakages, sewerage blockages, and PPM installations, and transfer costs to indigent households.

The access to free basic services is summarised into the different services as specified in the following table:

| Electricity    |                     |                   |          |                         |                   |          |                           |                   |          |
|----------------|---------------------|-------------------|----------|-------------------------|-------------------|----------|---------------------------|-------------------|----------|
| Financial year | Indigent Households |                   |          | Non-indigent households |                   |          | Households in Eskom areas |                   |          |
|                | No of HH            | Unit per HH (kwh) | Value pm | No of HH                | Unit per HH (kwh) | Value pm | No of HH                  | Unit per HH (kwh) | Value pm |
|                |                     |                   | R'000    |                         |                   | R'000    |                           |                   | R'000    |
| 2012/13        | 15 626              | 50                | 725      | 0                       | 0                 | 0        | 350                       | 50                | 16       |
| 2013/14        | 16 334              | 70                | 734      | 0                       | 0                 | 0        | 500                       | 50                | 25       |

Table 118: Free basic Electricity services to indigent households

| Water          |                     |                  |          |                         |                  |          |
|----------------|---------------------|------------------|----------|-------------------------|------------------|----------|
| Financial year | Indigent Households |                  |          | Non-indigent households |                  |          |
|                | No of HH            | Unit per HH (kl) | Value pm | No of HH                | Unit per HH (kl) | Value pm |
|                |                     |                  | R'000    |                         |                  | R'000    |
| 2012/13        | 15 626              | 8                | 1 018    | 20 114                  | 6                | 1 310    |
| 2013/14        | 16 334              | 6                | 1 093    | 38 666                  | 6                | 2 586    |

Table 119: Free basic Water services to indigent households

| Sanitation     |                     |                   |          |                         |                       |          |
|----------------|---------------------|-------------------|----------|-------------------------|-----------------------|----------|
| Financial year | Indigent Households |                   |          | Non-indigent households |                       |          |
|                | No of HH            | R value per HH pm | Value pm | No of HH                | Unit per HH per month | Value pm |
|                |                     |                   | R'000    |                         |                       | R'000    |
| 2012/13        | 15 526              | 148.36            | 2 318    | 0                       | 0                     |          |
| 2013/14        | 16 334              | 160.23            | 2 617    | 38 666                  | 160.23                | 6 196    |

Table 120: Free basic Sanitation services to indigent households

| Refuse Removal |                     |                         |          |                         |                       |          |
|----------------|---------------------|-------------------------|----------|-------------------------|-----------------------|----------|
| Financial year | Indigent Households |                         |          | Non-indigent households |                       |          |
|                | No of HH            | Service per HH per week | Value pm | No of HH                | Unit per HH per month | Value pm |
|                |                     |                         | R'000    |                         |                       | R'000    |
| 2012/13        | 15 626              | 1                       | 1 834    | 0                       | 0                     | 0        |

| Refuse Removal |                     |                         |          |                         |                       |          |
|----------------|---------------------|-------------------------|----------|-------------------------|-----------------------|----------|
| Financial year | Indigent Households |                         |          | Non-indigent households |                       |          |
|                | No of HH            | Service per HH per week | Value pm | No of HH                | Unit per HH per month | Value pm |
|                |                     |                         | R'000    |                         |                       | R'000    |
| 2013/14        | 16 334              | 1                       | 2 072    | 38 666                  | 126.83                | 4 904    |

**Table 121:** Free basic Refuse Removal services to indigent households per type of service

## COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and stormwater (stormwater drainage).

George Municipality is responsible for the planning of and maintenance of proclaimed main roads, municipal streets and establishing transportation infrastructure for the transport of goods and commuters. The NLTA places the responsibility for the provision of public transport with the local municipalities.

### 3.15 Roads and Stormwater

#### Roads

Maintenance and rehabilitation priorities are determined by means of a pavement management system, based on the condition of the road, and the implementation of these priorities are subject to Council approval of adequate funding. The main challenges to overcome, which will significantly improve service delivery, are the difficulty in procurement of services and adequate funding.

The following tables give an overview of the total kilometres of roads maintained and new roads tarred:

#### 3.15.1 Highlights – Roads and Stormwater

| Highlight                 | Description  |
|---------------------------|--|
| Reseal of Roads           | Extensive resealing completed to amount of R 21.83 mil             |
| Upgrading of gravel roads | Upgrading of 3 km of gravel roads to paved surface at R 12 million |

**Table 122:** Highlights: Road Transport

#### 3.15.2 Challenges – Roads and Stormwater

| Challenge                        | Actions to address                                  |
|----------------------------------|---|
| Ageing Roads infrastructure      | Capital spending on reseal of roads                 |
| Ageing stormwater infrastructure | Capital spending on upgrading of stormwater network |

**Table 123:** Challenges: Road Transport

### 3.15.3 Tarred (Asphalted) Roads

| Financial year | Total km tarred roads | Km of new tar & paved roads | Km existing tar roads re-tarred | Km tar roads maintained |
|----------------|-----------------------|-----------------------------|---------------------------------|-------------------------|
| 2012/13        | 404                   | 0.5                         | 9.1                             | 404                     |
| 2013/14        | 404                   | 5.1                         | 30                              | 406.1                   |

**Table 124:** Tarred (Asphalted) roads

### 3.15.4 Gravelled Roads

| Financial year | Total km gravel roads | Km new gravel roads constructed | Km gravel roads upgraded to tar / block paving | Km gravel roads graded/maintained |
|----------------|-----------------------|---------------------------------|--|-----------------------------------|
| 2012/13        | 114.6                 | 0                               | 0  | 114.6                             |
| 2013/14        | 114.6                 | 0                               | 3  | 111.6                             |

**Table 125:** Gravelled roads

### 3.15.5 Cost of Construction/Maintenance: Roads

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

| Financial year | Gravel |                             |            | Tar                      |           |            |
|----------------|--------|-----------------------------|------------|--------------------------|-----------|------------|
|                | New    | Gravel – Tar / Block paving | Maintained | New (Tar & Block paving) | Re-worked | Maintained |
|                | R'000  |                             |            |                          |           |            |
| 2012/13        | 0      | 0                           | 4 058      | 200                      | 0         | 6 620      |
| 2013/14        | 0      |                             | 3 445      | 8 430                    | 4500      | 6 400      |

**Table 126:** Cost of construction/maintenance of roads

The road infrastructure network is one of the largest assets of George Municipality. The condition and maintenance thereof as well as the construction of new road and transport infrastructure, impacts directly on the safety of all road users' modes of transport and indirectly on local economic development.

### Stormwater drainage

The department undertook a study of the condition of the storm water system. The operation of the storm water is conducted with the use of a management system which enable the planning and maintenance section to locate shortcomings. This enables this section to do efficient maintenance on the storm water network.

### 3.15.6 Storm water Infrastructure

The table below shows the total kilometres of storm water maintained and upgraded as well as the kilometres of new storm water pipes installed:

| Financial year | Total km Storm water measures | Km new storm water measures | Km storm water measures upgraded | Km storm water measures maintained |
|----------------|-------------------------------|-----------------------------|----------------------------------|------------------------------------|
| 2012/13        | 395.4km                       | 0                           | 6km                              | 395.4km                            |
| 2013/14        | 395.4km                       | 0                           | 4km                              | 395.4km                            |

**Table 127:** Storm water infrastructure

### 3.15.7 Cost of Construction/Maintenance: Stormwater

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

| Financial year | Storm water Measures |          |            |
|----------------|----------------------|----------|------------|
|                | New                  | Upgraded | Maintained |
|                | R'000                |          |            |
| 2011/12        | 877                  | 1 000    | 6 068      |
| 2012/14        | 2 320                | 1 250    | 7 016      |

**Table 128:** Capital Expenditure: Roads and Stormwater

### 3.15.8 Total employees – Roads and Stormwater

| TASK Job Level    | 2012/13    | 2013/14    |           |                                  |                                   |
|-------------------|------------|------------|-----------|----------------------------------|-----------------------------------|
|                   |            | Posts      | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |            | Number     |           | %                                |                                   |
| Senior Management | 0          | 0          | 0         | 0                                | 0                                 |
| 19 – 21           | 0          | 0          | 0         | 0                                | 0                                 |
| 14 – 18           | 1          | 1          | 1         | 0                                | 0                                 |
| 9 – 13            | 2          | 6          | 4         | 2                                | 33                                |
| 4 – 8             | 20         | 47         | 38        | 9                                | 19                                |
| 1 – 3             | 78         | 105        | 49        | 56                               | 53                                |
| <b>Total</b>      | <b>101</b> | <b>159</b> | <b>92</b> | <b>67</b>                        | <b>42</b>                         |

**Table 129:** Total Employees: Roads and Stormwater

### 3.15.9 Capital Expenditure – Roads and Stormwater

| Capital Projects                       | 2013/14        |                   |                    |
|--|----------------|-------------------|--------------------|
|  | Budget         | Adjustment Budget | Actual Expenditure |
| R'000                                  |                |                   |                    |
| Furniture & fittings - civil           | 0              | 22                | 19                 |
| Concrete channels & drains             | 1 182          | 0                 | 0                  |
| Vehicles                               | 1 500          | 0                 | 0                  |
| CAW43710 (GM2214) - KIA LIGHT          | 0              | 430               | 202                |
| Thembaletu UISP - streets & stormwater | 19 003         | 26 015            | 25 508             |
| Street resealing programme             | 5 000          | 5 500             | 5 500              |
| High mast lighting                     | 750            | 750               | 0                  |
| Lighting in informal areas             | 250            | 161               | 161                |
| Street lighting: Uniondale & Haarlem   | 300            | 389               | 386                |
| Rebuilding of streets: greater         | 4 000          | 3 500             | 3 485              |
| Robots & intersection: Mitchel         | 100            | 99                | 0                  |
| Upgrade roads & STORMWATER network     | 2 000          | 1 980             | 1 954              |
| CAW40717 (GM2206) - TATA LPT 8         | 0              | 300               | 299                |
| CAW90857 (GM2209) - SEWER JET          | 0              | 260               | 256                |
| CAW82532 (GM2203) - LUGGAGE TR         | 0              | 31                | 31                 |
| CAW84586 (GM2204) - 2.5 TON TR         | 0              | 44                | 44                 |
| CAW85276 (GM2205) - COMMERCIAL         | 0              | 31                | 31                 |
| Transport water tank 2500 litre        | 0              | 0                 | 9                  |
| CAW51626 (GM2215) - KIA K2700          | 0              | 202               | 202                |
| CAW54606 (GM2216) - KIA K2700          | 0              | 202               | 202                |
| Flood damage stormwater & streets      | 0              | 1 000             | 0                  |
| Vehicle acquisition                    | 46 610         | 0                 | 0                  |
| Oversight entity establishment         | 3 000          | 0                 | 0                  |
| Fare system establishment              | 9 640          | 0                 | 0                  |
| Its establishment                      | 1 060          | 0                 | 0                  |
| Road upgrades                          | 10 320         | 0                 | 0                  |
| Stops shelters depots                  | 20 000         | 0                 | 0                  |
| GIPTN infrastructure and busses        | 0              | 175 630           | 176 865            |
| Public transport infrastructure        | 0              | 15 668            | 14 952             |
| <b>Total</b>                           | <b>124 715</b> | <b>232 213</b>    | <b>230 104</b>     |

**Table 130:** Capital Expenditure 2013/14: Roads and Stormwater



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### 3.16 Public Transport

The George Integrated Public Transport Network will transform the current mini-bus taxi industry. A company has been formed by the industry that will be contracted by the George Municipality to provide a public transport service to the community of George. The government team (George Municipality and Western Cape Department Transport and Public Works) entered into negotiations with representatives of the local minibus taxi industry in November 2011. Negotiations progressed steadily and were concluded on 30 April 2014. The George Municipality has received Public Transport Infrastructure and Public Transport Network Operating grants from the National Department of Transport and National Treasury over the 2013/14 and 2014/15 Medium Term Expenditure Framework. This is in addition to the financial support received from the provincial Department of Transport and Public Works. Work has been concluded on a number of infrastructure upgrades, and approximately 600 bus stops have been constructed in the urban area. The project roll-out experienced unforeseen delays but is on track to see the realisation of the first public transport services in George being fully rolled out in 2015.

## COMPONENT C: PLANNING AND DEVELOPMENT

**The Department is responsible for the following functions:**

Development Management, Spatial Planning and Environmental Management, Building Control, and Property Management.

### 3.17 Planning

The main challenges experienced by the Department are as follow:-

- ❖ Acute shortage of planning staff with resulting risk to comply with statutory requirements and proactive development planning and facilitation
- ❖ Questionable credibility and/or understanding of the planning function with broader community and resulting spiraling illegal land uses and unwise developments which undermines effective planning and sustainable development.
- ❖ Weak economic base and unsustainable development with spiraling infrastructure requirements and costly services which results in an unaffordable city with diminishing ability to render services.
- ❖ Historic planning context with segregated communities and an unequal space economy and access to opportunities which compromises the social wellbeing with high levels of relative poverty.
- ❖ Lack of shared institutional focus and priorities in accordance with challenges

### 3.17.1 Planning Strategies

The table below sets out the main Planning Strategies

| Number | Strategies  |
|--------|---|
| 1.     | Create quality and safe living environments in support of social wellbeing      |
| 2.     | Ensure sustainable development to maintain the environmental integrity          |
| 3.     | Undertake development planning to support and facilitate economic growth        |
| 4.     | Develop an efficient and financial viable planning service                      |
| 5.     | Improve and maintain levels of service delivery and customer satisfaction       |
| 6.     | Build an effective and efficient Department with motivated and competent staff. |

**Table 131:** Planning Strategies

### 3.17.2 Statistics on Applications Received for Land Use Development

| Applications for Land Use Development                | 2012/13    | 2013/14    |
|--|------------|------------|
| Applications received                                | 434        | 467        |
| Applications finalized                               | 408        | 417        |
| Applications completed: (decision communicated)      | 396        | 391        |
| Applications still in process: (active applications) | 201        | 259        |
| Applications processed after 6 months or more        | 20         | 49         |
| KPI calculation                                      | 95.1%      | 88.3%      |
| Breakdown of Land Use Applications                   | 2012/13    | 2013/14    |
| Rezoning   | 28         | 26         |
| Subdivision  | 22         | 11         |
| Departure  | 299        | 313        |
| Consent use  | 18         | 20         |
| Removal of Restrictions                              | 11         | 5          |
| Structure Plan Amendments                            | 2          | 0          |
| Amendment of Conditions                              | 5          | 11         |
| Other  | 23         | 31         |
| <b>Total</b>   | <b>408</b> | <b>417</b> |
| OSCA Permits Issued                                  | 19         | 9          |

**Table 132:** Applications for Land use development and breakdown of Land use applications

### 3.17.3 Statistics on Building Plan Approvals

| Description                      | 2012/13        |                    | 2013/14        |                    |
|----------------------------------|----------------|--------------------|----------------|--------------------|
|                                  | Total Received | Building Costs (R) | Total Received | Building Costs (R) |
| New Houses                       | 175            | 89 673 500         | 144            | 73 273 000         |
| Additions to Houses              | 510            | 139 597 417        | 461            | 134 751 069        |
| New Town houses                  | 126            | 139 205 000        | 196            | 251 463 000        |
| Additions Town houses            | 66             | 9 885 000          | 81             | 16 980 000         |
| New Flats                        | 6              | 8 580 000          | 5              | 7 056 000          |
| Additions Flats                  | 0              | 0                  | 0              | 0                  |
| New Businesses                   | 8              | 73 903 500         | 3              | 62 200 000         |
| Additions to Businesses          | 24             | 22 516 000         | 26             | 20 817 000         |
| New Industries                   | 3              | 6 510 600          | 3              | 13 896 500         |
| Additions to Industries          | 21             | 32 163 000         | 22             | 36 349 200         |
| New Churches                     | 1              | 910 000            | 2              | 3 870 500          |
| Additions to Churches            | 3              | 1 633 900          | 4              | 2 600 000          |
| Additions to Restaurants         | 0              | 0                  | 0              | 0                  |
| New Schools                      | 1              | 2 106 500          | 2              | 11 705 500         |
| Addition to Schools              | 4              | 6 966 000          | 3              | 2 830 500          |
| New Crèche                       | 0              | 0                  | 0              | 0                  |
| Additions to Crèches             | 0              | 0                  | 0              | 0                  |
| Additions to Colleges            | 4              | 4 125 000          | 0              | 0                  |
| New Information Centre           | 1              | 864 000            | 0              | 0                  |
| New Clinic                       | 1              | 3 594 000          | 1              | 3 594 000          |
| Addition to Abattoir             | 1              | 1 752 000          | 1              | 1 752 000          |
| Additions to Hotels              | 0              | 0                  | 0              | 0                  |
| Additions to Retirement villages | 0              | 0                  | 1              | 576 000            |
| Additions to Universities        | 0              | 0                  | 1              | 2 020 000          |
| Additions to Boarding houses     | 0              | 0                  | 1              | 280 500            |
| Additions to Guest houses        | 0              | 0                  | 1              | 1 996 500          |
| Addition to Fire Station         | 1              | 216 000            | 1              | 1 260 000          |
| Alterations                      | 146            | 4 019 789          | 203            | 5 974 050          |
| <b>Total</b>                     | <b>1102</b>    | <b>548 221 206</b> | <b>1 074</b>   | <b>659 614 619</b> |

**Table 133:** Breakdown of building plan approvals

### 3.17.4 Statistics on Property Management Income

| Description                         | 2012/13      | 2013/14       |
|-------------------------------------|--------------|---------------|
|                                     | R'000        |               |
| Leasing of Council Owned Properties | 688          | 1 516         |
| Sales of Council Properties         | 2 190        | 11 195        |
| <b>Total</b>                        | <b>2 828</b> | <b>12 711</b> |

**Table 134:** Property management

### 3.17.5 Total employees – Planning

| TASK Job Level    | 2012/13   | 2013/14   |           |                                  |                                   |
|-------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |           | Number    |           | %                                |                                   |
| Senior Management | 0         | 0         | 0         | 0                                | 0                                 |
| 19 – 21           | 1         | 1         | 1         | 0                                | 0                                 |
| 14 – 18           | 6         | 12        | 4         | 8                                | 67                                |
| 9 – 13            | 13        | 27        | 15        | 12                               | 44                                |
| 4 – 8             | 2         | 7         | 2         | 5                                | 71                                |
| 1 – 3             | 0         | 0         | 0         | 0                                | 0                                 |
| <b>Total</b>      | <b>22</b> | <b>47</b> | <b>22</b> | <b>25</b>                        | <b>53</b>                         |

**Table 135:** Employees: Planning

### 3.17.6 Capital Expenditure – Planning

| Capital Projects                    | 2013/14 |                   |                    |
|-------------------------------------|---------|-------------------|--------------------|
|                                     | Budget  | Adjustment Budget | Actual Expenditure |
| R'000                               |         |                   |                    |
| Old Heritage Building - Pacaltsdorp | 250     | 29                | 29                 |

**Table 136:** Capital Expenditure 2013/14: Planning

### 3.18 Local Economic Development (LED)

George Municipality firmly takes a stance that it is not government, and in their specific case, local government's role to directly create jobs. The role of Local Government in Economic Development is to create an enabling environment for economic activity and growth. The execution of LED is a process, which takes numerous years to show tangible results in economic growth. George Municipality embarked on this process in early 2012 with the development and adoption of its Economic Development Strategy.

At the centre of LED implementation in George is the model that has been developed to depict the required actions to ultimately achieve an improved quality of life for all citizens. It starts with good Leadership and Governance, and follow sequential economic interventions and actions in order to eventually achieve sustainable improvements in living standards for all residents. The Economic Strategy Process (including PACA and BR&E) in early 2012 (2011/2012 financial year) represents some of the first steps in this model towards a sustainable LED delivery system. These processes are in line with ensuring expert facilitation of processes and getting stakeholders to contribute their ideas and resources.

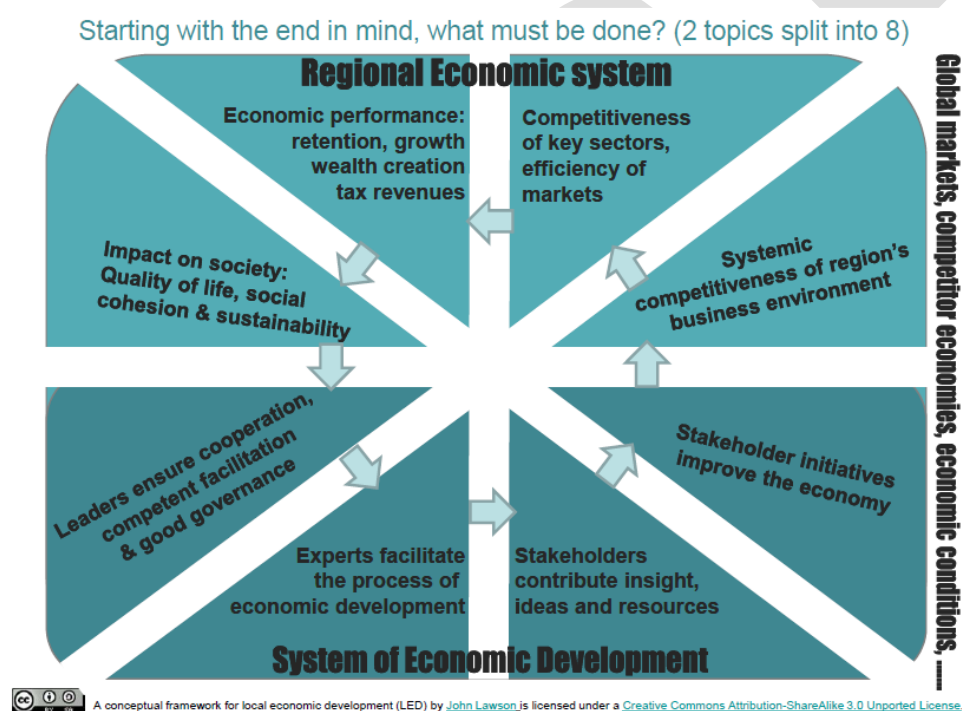


Figure 3: LED model

The 2013/2014 financial year represented the second full year of implementation of this strategy. Specifically the year saw actions within the ambit of the strategy that reflects a responsive local authority when economic opportunities and trends are presented. This resulted in a number of vibrant new growth sectors receiving attention and support (outlined in more detail below). The year also saw a renewed recognition that although work on the competitiveness and growth of the economy and support for existing clusters are important, there is a dire need for capacity building within local communities to ensure that they are able to access the economic

opportunities created. Projects such as the creation of Community Market Days and the operationalising of the “Men on the Side of the Road” (MSR) facility directly supports this focus area.

Reporting on “job creation” through LED Initiatives is limited to reporting on EPWP short term work opportunities created. The EPWP reporting and co-ordination is currently administered through the LED office but this will change in 2014/2015. Work has been undertaken with a service provider to develop a more detailed LED reporting system that could show multiplier and other effects based on the local economic reality through LED work. It is anticipated that the system could be implemented in 2014/2015 and this would significantly enhance reporting on achieved outcomes and outputs from the LED Unit.

### 3.18.1 Highlights – LED

The table below gives a brief description of all the achievements within local economic development during the 2013/14 financial year:

| Achievement/Highlight  | Description  |
|--|--|
| Continued sustainable improvement in the annual LED Maturity Assessment                                | The LED Unit again showed an increase in performance in the third annual LED Maturity Assessment executed by Provincial Government. The assessment report will again be used as basis for designing future interventions, some of the highlighted challenges (e.g. no LED Forum) will be detailed later in this section. As in previous years no giant leap was recorded (as is the case in some municipalities) – the belief is that slow and steady progress, building a strong LED system, is a more prudent approach.  |
| Conclusion of various high level Memorandums of Understanding and Service Level Agreements             | The George Municipality entered high level MoU’s with NMMU and South Cape College during this year, cementing the relationships with these key tertiary education providers. These high level agreements to collaborate will now be given credence to through tangible joint projects in coming years.   |
| Emerging vibrant industries and sectors identified and supported                                       | Two niche areas, namely the Film and Honeybush Tea industries, were identified during this year as areas showing significant growth and more importantly areas where a competitive position could be held in the national and international market place. Very successful industry workshops were hosted for both stakeholder groups. This resulted in detailed, industry endorsed action plans, adopted by Council for formal future support.   |
| Progress in cross-border collaboration through formalisation of the Southern Cape Business Partnership | Towards the end of the financial year six of the seven B-Municipalities and the Eden District themselves agreed to financially support the Southern Cape Business Partnership, under incubation with the Western Cape Economic Development Partnership. This entity will serve as vehicle for prioritisation of matters of regional and cross border economic importance. The initial funding window is for an 18 month project, to be executed with effect 1 August 2014.   |
| Marked increase in retail and commercial developments in the area                                      | The property development cycle in George seems to have turned a corner after a number of tough years due to the national and international economic slowdown. A number of new commercial developments have taken place including new showrooms for the Imperial Group (Ford, Land Rover, Jaguar), a new filling station close to the Garden Route Mall, redevelopment of the old Builders Warehouse facility in Knysna Road and a new showroom for Tavcor (VW). These all represent multi-million rand investments by large national entities into George and are interpreted as very positive market signals. |
| ICT Industry support delivering tangible results for local communities                                 | In early 2014 it was announced that George and other towns along the Garden Route has been chosen as pilot area for the roll out of a community wide Wi-Fi network, providing free daily access to residents. This is a direct result of ICT identified as key sector in the municipal economic strategy and work by the Garden Route ICT Incubator. Approval was granted for the placement of Wi-Fi infrastructure at 40 municipal sites. The public launch and roll out of the system will take place in early 2014/2015   |

| Achievement/Highlight  | Description   |
|--|---|
| Successful execution of projects relating to "Access to the Economy" | <p>These projects are as follows:</p> <ul style="list-style-type: none"> <li>❖ Community Market Days – with 8 active markets and 55 participating entrepreneurs in the programme at end June 2014.</li> <li>❖ MSR – facility for work seekers with a database of 90 work seekers and 23 active private sector entities that use the facility to source temporary workers. This is also the first steps towards an integrated approach to address unemployment, resultant loitering and traffic challenges, also incorporating homelessness.</li> <li>❖ Organic Urban Agriculture (permaculture) pilot project executed and volunteer initiative Kos &amp; Fynbos supported</li> <li>❖ Entrepreneurship support through E-Week and collaborations with George Business Chamber, Provincial Government, Eden District Municipality and SEDA.</li> </ul> |

**Table 137:** Highlights - LED

### 3.18.2 Challenges – LED

The table below gives a brief description of all the challenges within local economic development during the 2013/14 financial year:

| Description  | Actions to address  |
|--|---|
| The LED unit remains constrained in its execution of projects by a very small staff contingent | The recent appointment of a project manager (albeit on a temporary basis) has created much needed operational capacity to execute some of the priority projects. Internal discussion are to be prioritised to possibly further expand this project based staffing approach.   |
| No active LED Forum in George  | The status quo means there is no platform for ongoing communication and evaluation with Stakeholders regarding LED. It is internationally accepted best practice to establish a forum or platform for such engagement. An Item proposing the establishment of such a forum has served before the Executive-Mayor-in-Committee but will only be implemented following a detailed workshop and discussion with Council. |

**Table 138:** Challenges within local economic development

### 3.18.3 Strategic Areas – LED Strategy

The LED strategy identifies various issues and strategic areas for intervention, specifically identifying seven areas in which a long term competitive position could be built and held. The execution of the strategy is based on a strong collaborative approach with the private sector. In some of these sectors the private sector has progressed with development and expansion without any need for municipal support. This has resulted in an opportunity to react to emerging potential high impact sectors and industries in 2013/2014. The focus on "Access to the Economy" has also now been included formally as a strategic focus area, with various projects contributing to this focus area.

| Strategic areas  | Description   |
|--|---|
| <b>2012 Economic Development Strategy</b>  |   |
| <p>Seven key focus areas:</p> <ol style="list-style-type: none"> <li>1. Call Centres &amp; ICT related support</li> <li>2. Berries</li> <li>3. Vegetables</li> </ol> | <p>Key focus areas were arrived at through a) detailed desktop Economic Development Profile and b) PACA process including one-on-one interviews and series of workshops with key industry role players.</p> <p>Focus areas are narrow (at a sub-sector) level, so as to ensure more detailed intervention design. These focus areas were arrived at based on existing economic activity coupled</p> |



| Strategic areas  | Description  |
|--|--|
| <b>2012 Economic Development Strategy</b>  |  |
| 4. Dairy<br>5. Timber<br>6. Education<br>7. Hops Usage<br>These are unpacked in more detail in the Economic Development Strategy, also categorised as short, medium and long term focus areas. | with the potential to build a lasting competitive position in the face of fiercely competitive local and international market forces.<br>Of these Berries, Dairy and Hops Usage has not required or received any direct municipal assistance to date.  |
| <b>Additional Focus Areas 2013/2014</b>  |  |
| Film Industry  | The area has recorded a significant increase in filming activity and interest during the past year. The most important production in George is a new full length feature film – Born to Win. This will be launched nationally in August 2014. A collaborative approach to support the industry is being pursued with the Cape Film Commission.   |
| Honeybush Tea (specifically in rural areas around Uniondale, Haarlem & Avontuur  | Demand is currently significantly outweighing the supply of Honeybush Tea internationally. The Tea occurs naturally from the West Coast to Port Elizabeth. Following an industry workshop an agreement was entered with the SA Honeybush Tea Association to provide direct support to commercial and emerging farmers and harvesters in the municipal area. This will include a social impact assessment of the industry, extensive training as well as the establishment of a nursery. The key to the long term health of the industry is an increase in cultivated areas in order to protect the wild stock. |
| Access to the Economy including Entrepreneurship support   | Projects already outlined includes Community Market Days, MSR, Organic permaculture food garden initiatives and a focus on entrepreneurship support.   |

**Table 139: LED Strategic Areas**

In addition to the above sector specific key focus areas, a number of other initiatives of a more cross cutting nature also received attention. These include for example:

- ❖ Support and input into the George Integrated Public Transport Network (GIPTN) as key future economic infrastructure;
- ❖ Ongoing work to secure an Urban Agri-Park for George in collaboration with NMMU and Rhodes Universities;
- ❖ Ongoing work to secure the re-opening of the George/Knysna Railway Line both for freight services as well as the re-launch of the Outeniqua Choo Tjoe tourism service;
- ❖ Research in collaboration with Provincial Government into areas requiring Red Tape Reduction interventions; and

The Manger: Local Economic Development was awarded a Dutch Government Fellowship to attend a two week course on LED at The Hague Academy for Local Governance. This resulted in exposure to international best practice, some of which has been implemented within the LED Unit.

### 3.18.4 LED initiatives

Actions and projects should be aimed at stimulating the economic playing field, and not to directly create jobs. With a limited budget for LED Projects and only two officials in the Unit (a third Project Manager for the last two



months of the financial year), implementation of the following projects took place, as set out in the table below (Excluding EPWP projects):

| Description of project  | Amount spent to date | Performance Highlights   |
|---|----------------------|--|
| Permaculture Food Garden Pilot Project (Ward 4)   | R 54 500             | 25 household permaculture gardens established  |
| Hooggekraal / Outeniqua Stasie rural outreach and empowerment Project   | R 22 750             | 50 individuals capacitated through various interventions e.g. computer training  |
| Support for Kos & Fynbos Blanco gardening competition   | R 13 350             | 56 Participants each received a sponsored prize. The competition format resulted in community cohesion and contributed to the building of social capital. Other communities have requested similar projects. |
| Film Industry Workshop in George (March 2014)   | R 9 820              | Resulted in industry accepted action plan and working relationship with Cape Film Commission   |
| Honeybush Tea Workshop in Uniondale (February 2014) and agreed industry support   | R 150 000            | Service Level Agreement concluded with South African Honeybush Tea Industry  |
| Men on the Side of the Road (MSR): take over, repairs and maintenance to facility and re-opening.                       | R79 500              | 40 work-seekers placed in municipal cleaning project (joint project with Social Dev. and Environmental)  |
| Community Market Days   | R 35 500             | Markets active in 8 communities, 55 entrepreneurs participating  |
| Entrepreneurship Week (September 2013)  | R 18 000             | Reached close to 300 local residents interested in entrepreneurship  |
| Marketing George as business and investment destination   | R65 000              | Business South Africa publication and festive season double page pull out in George Herald   |
| Support for the Southern Cape Business Partnership (SCBP) as vehicle to drive matters of regional economic significance | R75 000              | Agreement by all but one of municipalities in the area to contribute and participate   |
| LED Maturity Assessment   | No Cost              | Continuous improvement in performance recorded   |
| Red Tape Reduction evaluation and recommendations   | No Cost              | Report produced for consideration by Council and then actions by various Departments   |
| Ongoing roll out of Economic Revitalisation Policy  | No Cost              | 4 Applications received of which one (Brent Oil Filing Station adjacent to Thembaletu Square) was approved for the allocation of incentives  |
| Revised Economic Development Profile  | R21 500              | Cost for purchase of data only, document produced by LED staff   |

**Table 140:** LED initiatives

### 3.18.5 Expanded Public Works programme (EPWP) implementation

The LED Unit is responsible for EPWP Administration and reporting whilst each Directorate has nominated EPWP Champions and Project Managers who are responsible for direct implementation and oversight. Reporting can be done in terms of person days created, work opportunities or full time equivalents (FTE's); the table below reflects all the work opportunities created from all reported projects for the George Municipality for the year 2013/2014. It is important to note that due to the mismatch in financial years between National and Local government, reporting

on EPWP numbers are rather cumbersome. For purposes of this report the figure that corresponds with the National Government financial year 2013/2014 (April 2013 – March 2014) are reflected.

2013/2014 was the fifth and final year of implementation of EPWP Phase II. A third five-year phase was announced, with significant planning and consultation done in preparation for the roll out that commenced on 1 April 2014. Due to revised formulas used for the calculation of grant allocations the George Municipal allocation has been reduced and does not correspond to actual performance.

| Year    | Work Opportunities |        | Full Time Equivalent |        | Conditional/<br>Incentive Grant<br>Allocation |
|---------|--------------------|--------|----------------------|--------|---|
|         | Target             | Actual | Target               | Actual | R'000   |
| 2010/11 | 393                | 609    | 142                  | 63     | 2 141   |
| 2011/12 | 505                | 1 488  | 185                  | 402    | 2 264   |
| 2012/13 | 657                | 1 141  | 239                  | 447    | 1 736   |
| 2013/14 | 827                | 858    | 201                  | 199    | 3 285   |
| 2014/15 | 259                | -      | 96                   | -      | 2 933   |

**Table 141:** Job creation through EPWP projects

### 3.18.6 Total employees – LED

| TASK Job<br>Level    | 2012/13  | 2013/14  |           |  |                                      |
|----------------------|----------|----------|-----------|--|--------------------------------------|
|                      |          | Posts    | Employees | Vacancies<br>(fulltime<br>equivalents) | Vacancies (as a %<br>of total posts) |
|                      |          | Number   |           | %                                      |                                      |
| Senior<br>Management | 0        | 0        | 0         | 0                                      | 0                                    |
| 19 – 21              | 0        | 0        | 0         | 0                                      | 0                                    |
| 14 – 18              | 1        | 1        | 1         | 0                                      | 0                                    |
| 9 – 13               | 1        | 2        | 1         | 1                                      | 50                                   |
| 4 – 8                | 1        | 2        | 0         | 2                                      | 100                                  |
| 1 – 3                | 0        | 0        | 0         | 0                                      | 0                                    |
| <b>Total</b>         | <b>3</b> | <b>5</b> | <b>2</b>  | <b>3</b>                               | <b>60</b>                            |

**Table 142:** Employees: Local Economic Development

## COMPONENT D: COMMUNITY AND SOCIAL SERVICES

### 3.19 Libraries

#### 3.19.1 Highlights – Libraries

| Highlight   |
|---|
| Improved security: <ul style="list-style-type: none"> <li>❖ Book detection systems for Uniondale &amp; Haarlem Libraries installed;</li> <li>❖ Palisade fencing for George Library;</li> <li>❖ Upgrade of security at Blanco Library</li> </ul> |
| Obtained new hard- and software for Haarlem & Uniondale Libraries & George Library  |
| Haarlem and Uniondale Libraries went live on SLIMS as from March 2014   |
| Improved image of George Library (interior): new furniture, blinds & curtains   |
| Huge increase in circulation figures, programs, exhibitions and all areas of service  |

**Table 143:** Highlights: Libraries

#### 3.19.2 Challenges – Social Development

| Challenge   |
|---|
| Staff shortage – 4 staff members resigned   |
| Security officers needed at George, Thembaletu, Conville, Pacaltsdorp Libraries   |
| Transportation needed for outreach activities   |
| Maintenance of buildings: Touwsrante and Blanco Libraries need to be upgraded; George Library needs to be extended and an activity hall for this library is urgently needed |
| Internet access: Touwsrante Library, technical problems since 2013  |
| Geographical distances with regards to the DMA makes it difficult to train staff and to initiate outreach activities  |

**Table 144:** Challenges: Libraries

#### 3.19.3 Service Statistics - Libraries

| Type of service                | 2012/13    | 2013/14    |
|--------------------------------|------------|------------|
| Number of Libraries            | 9+2 Depots | 9+2 depots |
| Library members                | 47 556     | 47 976     |
| Books circulated               | 505 489    | 680 128    |
| Exhibitions held               | 166        | 270        |
| Internet access points         | 32         | 40         |
| Children programmes            | 73         | 184        |
| Visits by school groups        | 28         | 82         |
| Book group meetings for adults | 22         | 77         |

| Type of service                               | 2012/13 | 2013/14 |
|---|---------|---------|
| Primary and Secondary Book Education sessions | 28      | 20      |

**Table 145:** Service Statistics – Libraries

### 3.19.4 Total Employees – Libraries

| TASK Job Level    | 2012/13   | 2013/14   |           |                                  |                                   |
|-------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |           | Number    |           | %                                |                                   |
| Senior Management | 0         | 0         | 0         | 0                                | 0                                 |
| 19 – 21           | 0         | 0         | 0         | 0                                | 0                                 |
| 14 – 18           | 0         | 2         | 2         | 0                                | 0                                 |
| 9 – 13            | 3         | 5         | 1         | 4                                | 80                                |
| 4 – 8             | 38        | 48        | 24        | 24                               | 50                                |
| 1 – 3             | 0         | 0         | 0         | 0                                | 0                                 |
| <b>Total</b>      | <b>41</b> | <b>55</b> | <b>27</b> | <b>28</b>                        | <b>47</b>                         |

**Table 146:** Employees: Libraries

### 3.19.5 Capital Expenditure – Libraries

| Capital Projects                                       | 2013/14  |                   |                    |
|--|----------|-------------------|--------------------|
|  | Budget   | Adjustment Budget | Actual Expenditure |
| R'000  |          |                   |                    |
| Office Furniture                                       | 0        | 89                | 88                 |
| Palisade Fencing – Main Library                        | 0        | 50                | 42                 |
| Curtains and Blinds – Main library                     | 0        | 45                | 42                 |
| Computer Equipment – Main library (Donated assets)     | 0        | 41                | 41                 |
| Computer Equipment – Branch libraries (Donated assets) | 0        | 249               | 249                |
| Book Detection System – Haarlem & Uniondale            | 0        | 213               | 211                |
| <b>Total</b>   | <b>0</b> | <b>687</b>        | <b>673</b>         |

**Table 147:** Capital Expenditure 2013/14: Libraries

## 3.20 Social Development

### 3.20.1 Highlights – Social Development

| Highlight  | Description  |
|--|--|
| Successful implementation of programmes at Primary Schools | Life Skills Program is successfully implemented at four primary schools.   |
| Door to door   | Peer Educators been equipped with skills, for further career path.   |
| Sex workers outreached                                     | Peer Educators been giving contracts for 3 years by Organisation named SWAET and there stipend amounts increase.   |
| ARV Care program   | People awaiting there grants, and on treatment get a food voucher, so they can't default on treatment.   |
| SA Sport for Change Project                                | The SA Sport for Change Project was officially launched by the Executive Mayor of George Municipality and the National Minister of Sport and Recreation in February 2014. The approved facilities include New Dawn Park, Thembaletu, Rosedale and Uniondale, which provides recreation for youth, through sports. Funding was provided by the German Government through the Department of Sport and Recreation SA. |
| Funding from Expanded Public Works Programme (EPWP).       | Additional funding was provided through EPWP to strengthen municipal budget.   |
| Chrysallis Academy   | This programme is an initiative of the Western Cape Provincial Cabinet, to combat the high crime rate, due to substance abuse and gang related activities. The Youth Office assisted with the recruitment of the male and female youth for the training programme; where after these young people were placed for workplace experience.  |
| Successful implementation of programmes at Primary Schools | Life Skills Program is successfully implemented at four primary schools.   |

**Table 148:** Highlights: Social Development

### 3.20.2 Challenges – Social Development

| Challenge   | Description  |
|---|--|
| ARV Care program: The number of people on treatment increase          | Because more people get sick now of the HIV virus, the need for food voucher increase  |
| Door to Door Campaign: The one year contract for Peer Educators       | Because HIV is a very confidential issue, people become at ease with the Peers and then the Peers have to leave the program (EPWP) |
| Constant change of officials in the Gender and Disability Sub-Section | It affects service delivery to the community at large.   |

**Table 149:** Challenges: Social Development

### 3.20.3 Service Statistics – Social Development

| Type of service   | 2012/13  | 2013/14  |
|---|--|--|
| Veggie gardens established  | 94   | 183  |
| Soup kitchens established or supported  | 138  | 135  |
| Initiatives to increase awareness on child abuse                              | Awareness sessions at primary schools, Child Protection Week and 16 Days of Activism against Women and Children<br>Children reached: <b>1 052</b>  | Life skills Camp:<br>Children reached: <b>20</b><br>Life skills groups at Primary schools:<br>Children Reached: <b>132</b><br><b>2</b> Holiday Programmes:<br>Children Reached: <b>80</b><br>Information tables at schools:<br>Number of persons reached: <b>335</b><br>Early Childhood Development Centres: <b>21</b><br>Centre for Children Living on the Street: <b>18</b>  |
| Youngsters educated and empowered   | Leadership Camps:<br>Children reached: <b>45</b><br>Life skills training<br>Children reached: <b>20</b><br>Information sessions (includes Bursary, learners hips, employment opportunities, career guidance, SA Sport for Change, George Youth Development Council): <b>1 660</b><br>Careers Exhibitions: <b>2 155</b><br>4 Holiday Programme: <b>781</b><br>Youth Centre Walk-in's: <b>3 000</b><br><b>Life skills Camp</b><br>Children reached: <b>20</b><br>Holiday Programmes (2)<br>Children reached: <b>80</b> | Information sessions (includes Bursary, Learnerships, Employment Opportunities, Career Guidance, Expo's, SA Sport for Change, Outreach Camps, Peer Educator Outreaches): <b>3 703</b><br>Careers Exhibitions: <b>2 221</b><br><b>3</b> Holiday Programmes: <b>781</b><br>Youth Centre Walk-in's: <b>1 924</b> (the number of youth visits to the Centre dropped due to the lack of internet access)<br>Chrysalis Programme: <b>29</b><br>Rest of National Youth Day: <b>1 758</b>  |
| Initiatives to increase awareness on disability and Gender/ Women empowerment | Outeniqua International Wheel Chair Challenge: <b>970</b> participating<br>Outeniqua Wheel Chair Challenge Schools Event: <b>500</b> children<br>Casual Day disability awareness Photo Competition<br>ABET for Disabled: <b>12</b> Individuals<br>Support for 2 Disabled athletes to attend Hermanus Wheel Chair Race<br>Phoenix Ladies empowerment sessions: <b>12</b> reached  | Establishment Of Disability Forum: <b>1</b><br><b>1</b> Disability Seminar: Ward 24:<br>Uniondale: <b>20</b> participants reached<br>Gender and Disability Survey: all 25 wards: <b>120</b> participants assisted with survey, funded by EPWP.<br>Rosedale Deforestation Project (job-creation): <b>65</b> jobs created.<br>Establishment of Gender Forum: <b>1</b><br>Awareness on gender abuse and violence: <b>51</b><br>Radio Talk (awareness) on Safe City events and education on desired gender attitude changes. |

| Type of service   | 2012/13   | 2013/14   |
|---|---|---|
|   |   | <p>Women's' Day Celebration: George Municipal female staff: <b>250</b></p> <p>Women's Day: Precious Stone Women's Conference: <b>400</b> ladies attended.</p> <p>Prophetic Marriage Seminar in partnership with George Fraternal: <b>150</b> attendees</p> <p>Women upliftment Program:</p> <p>Gender awareness: "Women of Worth" Program: Ward 22: <b>20</b> participants from Geelhoudboom and Diepkloof reached</p> <p>Outeniqua Wheelchair Challenge: <b>1 260</b> participants</p>   |
| Initiatives to increase awareness on HIV/AIDS   | <p><b>Education and Awareness:</b></p> <p>Risky Persons outreaches: <b>49</b></p> <p>HCT Campaigns: <b>42</b></p> <p>People reached: <b>3 621</b></p> <p>Tested HIV+: <b>2</b></p> <p>Condom distribution: <b>11 352</b></p> <p><b>Treatment and Care:</b></p> <p>ARV Care program:</p> <p><b>178</b> food vouchers</p> | <p><b>Special Events held</b></p> <p>Candlelight Memorial Service: <b>34</b></p> <p>Khomanani Day: <b>60</b></p> <p>World AIDS Day: <b>200</b></p> <p>World TB Day: <b>300</b></p> <p><b>People reached : 594</b></p> <p><b>Education and Awareness:</b></p> <p>Risky Persons outreaches ( LGBTI): <b>289</b></p> <p>HCT Campaigns: <b>29</b></p> <p>Medical male circumcisions (MMC): <b>11</b></p> <p>Condom distribution: <b>7 141</b></p> <p>Wellness days: <b>23</b></p> <p>Dissemination of information (flyers, brochures etc.): <b>5 479</b></p> <p>Training session for Peer Educators: <b>77</b></p> <p>Information sessions to community members: <b>137</b></p> <p>Sex workers outreaches: <b>8</b></p> <p>Door to door outreaches: <b>54</b></p> <p>Exhibitions done: <b>33</b></p> <p>Persons reached: <b>5 479</b></p> <p><b>Treatment and Care:</b></p> <p>ARV Care program:</p> <p><b>212</b> persons received food vouchers</p> <p>Clothing bank:</p> <p><b>12</b> persons received clothing.</p> <p>People reached: <b>217</b></p> |
| Initiatives to increase awareness on substance abuse and high drug and alcohol related crimes | <p>Door-to-Door Campaigns on substance abuse:</p> <p>Persons reached: <b>1 659</b></p> <p>Dissemination of information (flyers, brochures etc.):</p> <p>Persons reached: <b>411</b></p>   | <p>Door-To-Door Campaigns: <b>12</b></p> <p>People reached: <b>4850</b></p> <p>Houses reached: <b>224</b></p> <p>Information tables in communities: <b>4</b></p> <p>People reached: <b>219</b></p> <p>Drug Awareness Program at High Schools: <b>2 500</b> learners reached</p>   |

| Type of service  | 2012/13  | 2013/14   |
|--|--|---|
|  |  | Sessions held: <b>12</b>  |
| Special events hosted (World's Aids Day, World Arbour day, World Disability Day, Youth Day, 16 Days of activism against women abuse) | <b>People reached:</b><br>Candlelight Memorial Service: <b>200</b><br>Khomeinani Day: <b>30</b><br>World AIDS Day: <b>300</b><br>Children's' Day: <b>500</b><br>Make-up and Wake-up March – George: <b>500</b><br>Happy Family Arts Competition: <b>2 000</b><br>Take Back The Night March – Uniondale: <b>450</b><br>Women's Day Event for female staff: <b>250</b> | Awareness sessions at primary schools, Child Protection Week and 16 Days of Activism against Women and Children<br>Children reached: <b>1 117</b>   |
| Mandela Day  | AIDS Orphans outing to the Botanical Gardens:<br>Children reached: <b>30</b>   | Sex workers Outreach: <b>10</b> persons<br>Visiting children at the Harry Comay Hospital : <b>15</b> children were reached<br>Mandela Day at Sonneblomland Crèche: <b>165</b> persons reached |

**Table 150:** Social Development Statistics

### 3.20.4 Total employees – Social Development

| TASK Job Level    | 2012/13   | 2013/14   |           |                                  |                                   |
|-------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |           | Number    |           | %                                |                                   |
| Senior Management | 0         | 0         | 0         | 0                                | 0                                 |
| 19 – 21           | 0         | 0         | 0         | 0                                | 0                                 |
| 14 – 18           | 1         | 1         | 1         | 0                                | 0                                 |
| 9 – 13            | 6         | 7         | 6         | 1                                | 14                                |
| 4 – 8             | 3         | 4         | 3         | 1                                | 25                                |
| 1 – 3             | 0         | 0         | 0         | 0                                | 0                                 |
| <b>Total</b>      | <b>10</b> | <b>12</b> | <b>9</b>  | <b>2</b>                         | <b>16</b>                         |

**Table 151:** Employees – Social Development



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## COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; cemeteries and coastal protection.

Coastal Management is currently a new concept in the country with which the municipality must still start to deal with. Beaches are cleaned in a reactive manner as and when needed and protection services handle all the public behaviours, but there is currently not enough capacity to do this on a fulltime basis. Visits are seasonal and weather permitting. The Eden District Municipality in cooperation with the Provincial Government is in process to develop a coast management plan in terms of the Integrated Coastal Management Act. The Act also refers to a set of standard By-Laws and possible scheme regulations. This project will still take a while to be completed and is currently in the beginning phases. The Provincial Government has also appointed a service provider in terms of the Act to deal with the setback of lines. They must still start with work and Strategic Services will provide inputs in both the aforementioned projects such as inputs with regard to the setback of lines for coastal developments within 100m from the high water mark.

Coastal management will have an impact on various functions within the municipality and there is currently not any personnel dedicated to this responsibility. The Coastal Management Plan that is currently in process to be developed will provide direction in this regard in the near future.

With regard to biodiversity, the Provincial Government is also in process to finalise the Environmental Management Plan for the George area.

The Air pollution function is shared with the Eden District Municipality which creates a challenge regarding the split between responsibilities

George Municipality has a total of 13 cemeteries to manage. They all add up to 46.3ha. Most of the cemeteries (nine) are in George with four in Uniondale – 110km away from George.

At present, seven of the cemeteries are operational while the other 6 are maintained as if operational. Maintenance is done by four community contractors. During **2013/14** a total of **± 700 burials** took place. The combined capacity allows for a window of about **eight** years. The possible expansion of the current cemeteries is reflected in the structural plan for George.

There is a privately owned cremation facility in George and it is found that there is an increase in the number of cremations each year.

George Municipality has a total of 150 parks with a total of area of 200 ha. These parks are maintained on a regular basis (18 cutting cycles per year) by private contractors. Almost 50% of these parks have playing apparatus. These apparatus are vandalized on a continued basis costing the municipality approximately R150 000 per year to maintain these apparatus. The past year very little was done to repair vandalised play parks due to capacity constraints. Policy indicates that a Councillor must request the erection of a park or establishment thereof in consultation with the community.

## 3.21 Environmental Protection

### 3.21.1 Highlights – Environmental Protection

| Highlight   | Description   |
|---|---|
| Alien vegetation control in rivers and commonages | Homeless people project: 40 people were employed for 4 months |

**Table 152:** Highlights: Environmental Protection

### 3.21.2 Challenges – Environmental Protection

| Challenge                                      | Description                                |
|--|--|
| Major new types of weeds are establishing fast | Some are very invasive                     |
| Firebreaks are currently non-existent          | Snakes, cattle and rats are common         |
| Catchment needs to be managed                  | Impact water run-off and species diversity |

**Table 153:** Challenges: Environmental Protection

### 3.21.3 Service Delivery Statistics – Environmental Protection

| Performance indicators                       | 2012/2013                    | 2013/14 |
|--|------------------------------|---------|
| Noise nuisance complaints                    | 5                            | 14      |
| Air pollution complaints                     | 15                           | 16      |
| Complaints regarding overgrown erven         | 240                          | 241     |
| Number of complaints received                | 313                          | 414     |
| Number of complaints resolved                | 313                          | 99%     |
| Number of environmental sessions held        | 6                            | 9       |
| Issuing of business & entertainment licenses | 51 applications<br>32 issued | 23      |
| Keeping of animals complaints                | 45                           | 122     |
| Pauper burials                               | 15                           | 30      |

**Table 154:** Service Delivery Statistics – Environmental Protection

### 3.21.4 Total employees – Environmental Protection

| TASK Job Level    | 2012/13 | 2013/14 |           |                                  |                                   |
|-------------------|---------|---------|-----------|----------------------------------|-----------------------------------|
|                   |         | Posts   | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |         | Number  |           | %                                |                                   |
| Senior Management | 0       | 0       | 0         | 0                                | 0                                 |
| 19 – 21           | 0       | 0       | 0         | 0                                | 0                                 |
| 14 – 18           | 1       | 3       | 1         | 2                                | 67                                |
| 9 – 13            | 1       | 7       | 5         | 2                                | 29                                |

| TASK Job Level | 2012/13   | 2013/14    |            |                                  |                                   |
|----------------|-----------|------------|------------|----------------------------------|-----------------------------------|
|                |           | Posts      | Employees  | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                |           | Number     |            | %                                |                                   |
| 4 – 8          | 6         | 34         | 25         | 9                                | 26                                |
| 1 – 3          | 18        | 147        | 91         | 55                               | 37                                |
| <b>Total</b>   | <b>26</b> | <b>191</b> | <b>122</b> | <b>66</b>                        | <b>35</b>                         |

**Table 155:** Employees – Environmental Protection

## COMPONENT F: SECURITY AND SAFETY

This component includes: Traffic; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

The aim of council is to ensure the safety of all residents and visitors in this municipal area through law enforcement. Currently municipal law enforcement officers work closely with SAPS to combat crime while the traffic law enforcement officers are assisting those agencies. Integrated operations are held to prevent crime increase in this municipal area through proper planning. The willingness of the community to report crime assists the different law enforcement agencies tremendously in the fight against crime.

### 3.22 Traffic and Licensing

Traffic law enforcement is to reduce the number of road accidents annually by 5% and furthermore to ensure a safe traffic flow. The aim is to bring all offenders of traffic violations to book to ensure safe roads. Speed measurements are important due to the fact that 90% of all accidents are caused by speeding. Second serious offence is driving under the influence of liquor due to the fact that the dragger breath alcoholiser is not accepted evidence in South African courts. Scholar patrols are established to assist learners to cross roads to schools safely, while regular traffic patrols in residential areas reduce traffic accidents and traffic violations.

#### 3.22.1 Highlights – Traffic and Licensing

| Highlight                          | Description                                 |
|------------------------------------|---|
| Appointment of Traffic Wardens     | Will improve visibility and law enforcement |
| Purchased four new patrol vehicles | Addressed the shortage of patrol vehicles   |

**Table 156:** Highlights: Traffic and Licensing

#### 3.22.2 Challenges – Traffic and Licensing

| Challenge                           | Action to address  |
|-------------------------------------|--|
| Waiting period for driving licenses | To use qualified examiners to assist and have 4 examiners deployed for testing |
| Discipline                          | To discipline personnel on an ongoing basis                                    |
| Vacant Positions                    | Positions to be filled   |

**Table 157:** Challenges: Traffic and Licensing

### 3.22.3 Service Statistics – Traffic Services

| Details  | 2012/13                 | 2013/14        |
|--|-------------------------|----------------|
| Number of road traffic accidents during the year   | 2 979 (Stats from SAPS) | 295*           |
| Number of Traffic officers in the field on an average day  | 14                      | 12             |
| Number of Traffic officers on duty on an average day   | 14                      | 12             |
| Motor vehicle licenses processed   | 67 722                  | 68 066         |
| Learner driver licenses processed  | 4 296                   | 4 727          |
| R-value of fines collected   | R14 370 350.27          | R14 961 004.56 |
| Roadblocks held  | 218                     | 16             |
| Complaints attended to by Traffic Officers   | 198                     | 530            |
| Special Functions – Escorts  | 306                     | 257            |
| Awareness initiatives on public safety   | 44 (Jan to June 2013)   | 9**            |
| *Only standby done at accidents by traffic officers  |                         |                |
| **Due to the redeployment of Mrs Rosa Louw to the Speakers office, Traffic Services does not have the capacity to perform this function any more |                         |                |

**Table 158:** Service Statistics: Traffic Services

### 3.22.4 Total employees – Traffic Services

| TASK Job Level    | 2012/13   | 2013/14   |           |                                  |                                   |
|-------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |           | Number    |           | %                                |                                   |
| Senior Management | 0         | 0         | 0         | 0                                | n/a                               |
| 19 – 21           | 0         | 0         | 0         | 0                                | n/a                               |
| 14 – 18           | 1         | 2         | 1         | 1                                | 50%                               |
| 9 – 13            | 44        | 58        | 40        | 18                               | 31%                               |
| 4 – 8             | 0         | 25        | 13        | 12                               | 48%                               |
| 1 – 3             | 0         | 3         | 1         | 2                                | 67%                               |
| <b>Total</b>      | <b>45</b> | <b>88</b> | <b>55</b> | <b>33</b>                        | <b>38%</b>                        |

**Table 159:** Employees – Traffic Services

### 3.22.5 Capital Expenditure – Traffic Services

| Capital Projects                                     | 2013/14      |                   |                    |
|--|--------------|-------------------|--------------------|
|  | Budget       | Adjustment Budget | Actual Expenditure |
| R  |              |                   |                    |
| Installation of camera system – Vehicle Registration | 15           | 15                | 0                  |
| 4 Vehicles for Traffic Officers                      | 1 800        | 1 195             | 1 167 0            |
| CCTV Cameras   | 1 500        | 1 864             | 122 0              |
| Security Counter                                     | 250          | 230               | 227                |
| Installation of camera system – Traffic Offices      | 35           | 35                | 17 886             |
| Maintenance of Traffic Offices                       | 200          | 178               | 142                |
| Furniture and Computer Equipment                     | 90           | 103               | 114                |
| Fire Arms  | 150          | 150               | 132                |
| Safety Equipment                                     | 80           | 79                | 52                 |
| Paving – Traffic Offices                             | 60           | 60                | 59                 |
| Security Cameras – Council Properties                | 200          | 200               | 190                |
| <b>Total</b>   | <b>4 380</b> | <b>4 094</b>      | <b>2 223</b>       |

**Table 160:** Capital Expenditure 2013/14: Traffic Services

### 3.23 Fire and Disaster Management

The function of this section is to save lives and to protect property. Awareness campaigns in informal areas did reduce the number of fires in those areas as well as the restructuring of shacks to ensure that fire fighting vehicles and fire fighter can reach those in need. Immediate relief is provided to victims of fires and flooding in the form of food parcels, blankets and emergency housing kits.

The Fire Services has identified the need to conduct more Fire Prevention inspections to make George a Safer city and to effectively train all fire personnel to a minimum qualification of Fire Fighter 2.

#### 3.23.1 Highlights – Fire and Disaster Management

| Highlight     | Description   |
|---------------|---|
| Training      | All firefighting personnel are trained to Fire Fighter 2 Level. |
| Fire vehicles | 50% of Fire fighting vehicles are younger than 5 years          |
| By-law        | Implementation of Fire Safety By Law                            |

**Table 161:** Highlights: Fire and Disaster management

#### 3.23.2 Challenges – Fire and Disaster Management

| Highlight | Description   |
|-----------|---|
| Services  | To render a more effective service to the rural community of George |

**Table 162:** Challenges: Fire and Disaster management

### 3.23.3 Service Statistics – Fire and Disaster Management

| Details   | 2012/13    | 2013/14    |
|---|------------|------------|
| Total fires attended in the year                        | 805        | 533        |
| Total of other incidents attended in the year           | 713        | 575        |
| Average turnout time - urban areas                      | 7 minutes  | 7 minutes  |
| Average turnout time - rural areas                      | 18 minutes | 18 minutes |
| Fire fighters in post at year end                       | 19         | 18         |
| Total fire appliances at year end                       | 11         | 12         |
| Average number of appliance of the road during the year | 10         | 0          |
| Total Operational call-outs                             | 1 518      | 1 108      |
| Reservists and volunteers trained                       | 0          | 0          |
| Awareness Initiatives on Fire Safety                    | 0          | 785        |

**Table 163:** Service Data for Fire and Disaster Management

### 3.23.4 Total employees – Fire and Disaster Management

| TASK Job Level    | 2012/13   | 2013/14   |           |                                  |                                   |
|-------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |           | Number    |           | %                                |                                   |
| Senior Management | 0         | 0         | 0         | 0                                | 0                                 |
| 19 – 21           | 0         | 0         | 0         | 0                                | 0                                 |
| 14 – 18           | 1         | 1         | 1         | 0                                | 0                                 |
| 9 – 13            | 5         | 15        | 13        | 2                                | 13                                |
| 4 – 8             | 37        | 11        | 11        | 0                                | 0                                 |
| 1 – 3             | 1         | 1         | 1         | 0                                | 0                                 |
| <b>Total</b>      | <b>44</b> | <b>28</b> | <b>26</b> | <b>2</b>                         | <b>7</b>                          |

**Table 164:** Total Employees: Fire services

### 3.23.5 Capital Expenditure – Fire and Disaster Management

| Capital Projects        | 2013/14 |                   |                    |
|-------------------------|---------|-------------------|--------------------|
|                         | Budget  | Adjustment Budget | Actual Expenditure |
| R'000                   |         |                   |                    |
| Fire Fighting Vehicle   | 1 500   | 1 477             | 1 353              |
| Toyota Land Cruiser     | 0.00    | 480               | 429                |
| Fire Services Equipment | 0.00    | 10                | 9                  |
| Radios for Vehicles     | 600     | 620               | 618                |

| Capital Projects | 2013/14      |                   |                    |
|------------------|--------------|-------------------|--------------------|
|                  | Budget       | Adjustment Budget | Actual Expenditure |
| <b>Total</b>     | <b>2 100</b> | <b>2 587</b>      | <b>2 408</b>       |

**Table 165:** Capital Expenditure 2013/14: Fire Services

## COMPONENT G: SPORT AND RECREATION

### 3.24 Holiday Resorts and Campsites

The George Municipality is responsible for the management and maintenance of one holiday resort in our municipal area, which is Herold's Bay which only makes provision for camping sites.

The main priority of the caravan park is for the guests to experience true hospitality and efficient client service. The resort is next to the beach, where the sheer natural beauty of the sea can be experienced. Braai facilities, water taps and refuse bins are positioned at regular intervals at the campsite.

On arrival at the park, we provide you with the necessary information including the rules and safety evacuation plan.

George manages four beaches namely Herold's Bay, Gwaiing, Victoria Bay, and Leentjiesklip in Wilderness. Beaches east of the Touw River are managed by Sanparks. At Herold's Bay there is also a caravan park/ camping area with 42 stands. During summer months the beaches and the caravan park are very popular amongst national and international tourists.

George Municipality has a total of 150 parks with a total of area of 200 ha. These parks are maintained on a regular basis (18 cutting cycles per year) by private contractors. Almost 50% of these parks have playing apparatus.

A huge challenge is that playing apparatus in parks are vandalized on a continued basis costing the municipality approximately R150 000 per year to maintain these apparatus.

#### 3.24.1 Service Statistics –Holiday Resorts and Campsites

| Description               | 2012/13   | 2013/14   |
|---------------------------|---|---|
| % Occupation for the year | 100% during December/ January<br>1 744 overnight stays for the year | 100% during December/ January<br>1 704 overnight stays for the year |

**Table 166:** Service Statistics –Holiday Resorts and Campsites

### 3.25 Sport Grounds and Swimming Pools

The George Municipality is responsible for the management and maintenance of 10 sport grounds in our municipal area.

It is the municipality's goal to create a healthy lifestyle for all of our residents, by offering a wide range of well-maintained and managed sport facilities.

### 3.25.1 Highlights – Sport Grounds and Swimming Pools

| Highlight                           | Description                            |
|-------------------------------------|--|
| Development of 4 SRSA Sport grounds | Completion of projects                 |
| Optimal usage of Outeniqua Park     | More event tournaments                 |
| New MTN Sponsorship                 | Proposed 10 year sponsorship per annum |

**Table 167:** Highlights: Sport Grounds and Swimming Pools

### 3.25.2 Challenges – Sport Grounds and Swimming Pools

| Challenge                             | Actions to address                             |
|---------------------------------------|--|
| Limited funding                       | Application for and allocation of more funding |
| Corporation from sport clubs          | More selective deployment of personnel         |
| Vandalism and stone throwing in pools | Enhance security                               |

**Table 168:** Challenges: Sport Grounds and Swimming Pools

### 3.25.3 Service Statistics – Sport Grounds and Swimming Pools

| Service                              | 2012/13    | 2013/14    |
|--------------------------------------|------------|------------|
| <b>Swimming Pools</b>                |            |            |
| Number of visitors per annum         | 17 176     | 14 833     |
| R-value collected from entrance fees | R40 038.00 | R35 306.00 |

**Table 169:** Service Statistics: Sport Grounds and Swimming Pools

### 3.25.4 Employees – Sport Grounds and Swimming Pools

| TASK Job Level    | 2012/13   | 2013/14   |           |                                  |                                   |
|-------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |           | Number    |           | %                                |                                   |
| Senior Management | 0         | 0         | 0         | 0                                | 0                                 |
| 19 – 21           | 0         | 0         | 0         | 0                                | 0                                 |
| 14 – 18           | 0         | 0         | 0         | 0                                | 0                                 |
| 9 – 13            | 0         | 0         | 0         | 0                                | 0                                 |
| 4 – 8             | 13        | 14        | 10        | 4                                | 29                                |
| 1 – 3             | 0         | 0         | 0         | 0                                | 0                                 |
| <b>Total</b>      | <b>13</b> | <b>14</b> | <b>10</b> | <b>4</b>                         | <b>29</b>                         |

**Table 170:** Total Employees: Sport Grounds and Swimming Pools



### 3.25.5 Capital Expenditure – Sport Grounds and Swimming Pools

| Capital Projects                          | 2013/14      |                   |                    |
|---|--------------|-------------------|--------------------|
|   | Budget       | Adjustment Budget | Actual Expenditure |
| R'000                                     |              |                   |                    |
| Upgrade of Lawaakamp Sport Ground         | 200          | 345               | 322                |
| Snapper                                   | 20           | 20                | 20                 |
| Rosemore Pavilion Roof                    | 1 600        | 1 617             | 795                |
| New Sport Facility – Rosedale             | 1 700        | 1 900             | 1 873              |
| Upgrade Rosemore Sport Ground             | 900          | 175               | 182                |
| Upgrade Thembaletu Sport Ground           | 800          | 109               | 136                |
| Upgrade Pacaltsdorp Sport Ground          | 500          | 200               | 232                |
| Upgrade Maraikamp Sport Ground            | 400          | 30                | 30                 |
| Upgrade Blanco Sport Ground               | 400          | 116               | 116                |
| Geelhoutboom Rugby Field                  | 250          | 0                 | 0                  |
| Touwsrante Sport Field                    | 500          | 500               | 278                |
| New Sport Facility – Uniondale            | 1 300        | 1 270             | 1 355              |
| Thembaletu Sport Facility                 | 0.00         | 376               | 309                |
| Pacaltsdorp Sport Facility                | 0.00         | 497               | 500                |
| Furniture – Wesgro (Donated Assets)       | 0.00         | 30                | 26                 |
| Outeniqua Rugby Stadium (Donated Assets)  | 0.00         | 11 936            | 11 936             |
| Roorivier Sport Complex ( Donated Assets) | 0.00         | 438               | 438                |
| <b>Total</b>                              | <b>8 570</b> | <b>19 560</b>     | <b>18 548</b>      |

Table 171: Capital Expenditure 2013/14: Sport Grounds and Swimming Pools

### 3.26 Community Halls, Facilities and Thusong centres

#### 3.26.1 Employees – Community Halls, Facilities and Thusong Centres

| TASK Job Level    | 2012/13 | 2013/14 |           |                                  |                                   |
|-------------------|---------|---------|-----------|----------------------------------|-----------------------------------|
|                   |         | Posts   | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |         | Number  |           | %                                |                                   |
| Senior Management | 0       | 0       | 0         | 0                                | 0                                 |
| 19 – 21           | 0       | 0       | 0         | 0                                | 0                                 |
| 14 – 18           | 0       | 0       | 0         | 0                                | 0                                 |
| 9 – 13            | 0       | 1       | 1         | 0                                | 0                                 |
| 4 – 8             | 1       | 3       | 3         | 0                                | 0                                 |
| 1 – 3             | 6       | 14      | 6         | 8                                | 57                                |

| TASK Job Level | 2012/13  | 2013/14   |           |                                  |                                   |
|----------------|----------|-----------|-----------|----------------------------------|-----------------------------------|
|                |          | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                |          | Number    |           | %                                |                                   |
| <b>Total</b>   | <b>7</b> | <b>18</b> | <b>10</b> | <b>8</b>                         | <b>44</b>                         |

**Table 172:** Total Employees: Community Halls, Facilities and Thusong Centres

### 3.26.2 Capital Expenditure – Community halls, facilities, Thusong centres

| Capital Projects                             | 2013/14    |                   |                    |
|--|------------|-------------------|--------------------|
|  | Budget     | Adjustment Budget | Actual Expenditure |
| R'000  |            |                   |                    |
| Upgrade Civic Centre                         | 500        | 500               | 0                  |
| Gas Cage – Parkdene Hall                     | 5          | 5                 | 0                  |
| Curtains & Blinds – Thembaletu (Zone 9) Hall | 130        | 90                | 84                 |
| Fridge – Thembaletu (Zone 9) Hall            | 10         | 10                | 10                 |
| Stove – Thembaletu (Zone 9) Hall             | 10         | 10                | 5                  |
| Gas Cage – Thembaletu (Zone 9) Hall          | 5          | 5                 | 4                  |
| Tables and chairs – Thembaletu (Zone 9) Hall | 120        | 120               | 105                |
| Tables and chairs – Thembaletu Hall          | 40         | 40                | 35                 |
| Gas Cage – Conville Hall                     | 5          | 5                 | 4                  |
| <b>Total</b>                                 | <b>825</b> | <b>785</b>        | <b>247</b>         |

**Table 173:** Capital Expenditure 2013/14: Community halls, facilities, Thusong centres

## COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

### 3.27 Office of the Municipal Manager

The office of the Municipal manager include the functions IDP, PMS, Legal services and risk and internal audit.

#### 3.27.1 Highlights – Office of the Municipal Manager

| Highlight   | Description   |
|---|---|
| Clean Audit Report for 2012/2013 Financial Year   | Receiving an Unqualified Audit Outcome                |
| Completion of all projects and programmes         | Delivery of basic municipal services                  |
| Compliance with all legislative requirements      | Good governance                                       |
| Mitigation of all major risks                     | Maintaining high standards of service delivery        |
| Adoption of new SCM Policy and Operational System | Improving SCM governance and transparency             |
| Adoption of PPPFA Policy                          | Promote socio-economic and local economic development |

**Table 174:** Highlights: Office of the Municipal Manager

### 3.27.2 Challenges – Office of the Municipal Manager

| Challenge  | Action to address   |
|--|---|
| On-going negotiations with the Taxi and Bus Industry | Progress with the GIPTN and finalization of contracts with the public transport industry                    |
| Managing and maintaining fiscal challenges           | Managing expenditure and generation of revenue  |
| Review of the Organisation Design                    | Progress with review of the staff structure   |
| Institutional Capacity Building                      | To build a developmental municipality within its financial capacity   |
| Social Economic Development                          | To promote the social and economic development of the community.  |
| Public Participation                                 | To encourage the involvement of communities and community organisations in the affairs of the municipality. |

**Table 175:** Challenges: Office of the Municipal Manager

### 3.27.3 Total employees – Office of the Municipal Manager

| TASK Job Level    | 2012/13   | 2013/14   |           |                                  |                                   |
|-------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |           | Number    |           | %                                |                                   |
| Senior Management | 1         | 2         | 1         | 1                                | 50%                               |
| 19 – 21           | 1         | 1         | 1         | 0                                | 0                                 |
| 14 – 18           | 7         | 9         | 6         | 3                                | 33                                |
| 9 – 13            | 11        | 21        | 14        | 7                                | 33                                |
| 4 – 8             | 1         | 17        | 0         | 17                               | 100                               |
| 1 – 3             | 1         | 3         | 1         | 2                                | 67                                |
| <b>Total</b>      | <b>22</b> | <b>53</b> | <b>23</b> | <b>30</b>                        | <b>57</b>                         |

**Table 176:** Employees – Office of the Municipal Manager

### 3.27.4 Capital Expenditure – Office of the Municipal Manager

| Capital Projects                           | 2013/14      |                   |                    |
|--|--------------|-------------------|--------------------|
|  | Budget       | Adjustment Budget | Actual Expenditure |
| <b>R'000</b>                               |              |                   |                    |
| Thembaletu Tourism Office (Donated Asset)  | 0            | 1 740             | 1 740              |
| Pacaltsdorp Tourism Office (Donated Asset) | 0            | 1 418             | 1 418              |
| Ward Projects                              | 2 550        | 2 538             | 685                |
| Furniture and Fittings                     | 50           | 62                | 62                 |
| <b>Total</b>                               | <b>2 600</b> | <b>5 757</b>      | <b>3 904</b>       |

**Table 177:** Capital Expenditure 2013/14: Office of the Municipal Manager

### 3.28 Administration (Committee Services, Records Management and Telecommunication)

#### 3.28.1 Highlights – Administration

| Highlight                                      | Description  |
|--|--|
| All records staff was trained                  | Records Management Course  |
| Upgrade of wireless infrastructure             | Was done with no cost to council and all satellite dishes was replaced with panels which has a much better reception |
| Implementation of an Electronic Booking System | On Collaborator  |

**Table 178:** Highlights: Administration

#### 3.28.2 Challenges – Administration

| Challenge                               | Action to address                                     |
|---|---|
| Poor IT Infrastructure                  | Provisions to be made in budget                       |
| No proper supply chain Process in place | To implement process either on Collaborator or SAMRAS |
| No consistent IT Software upgrades      | Provision to be made in budget                        |
| Poor office and storage space           | To be investigated and to be budgeted for             |

**Table 179:** Challenges: Administration

#### 3.28.3 Total employees – Administration (Committee Services, Records Management and Telecommunication)

| TASK Job Level    | 2012/13   | 2013/14    |           |                                  |                                   |
|-------------------|-----------|------------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts      | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |           | Number     |           | %                                |                                   |
| Senior Management | 1         | 0          | 0         | 0                                | 0                                 |
| 19 – 21           | 1         | 0          | 0         | 0                                | 0                                 |
| 14 – 18           | 1         | 5          | 3         | 2                                | 40                                |
| 9 – 13            | 10        | 43         | 15        | 28                               | 65                                |
| 4 – 8             | 15        | 35         | 15        | 20                               | 57                                |
| 1 – 3             | 13        | 32         | 16        | 16                               | 50                                |
| <b>Total</b>      | <b>41</b> | <b>115</b> | <b>49</b> | <b>66</b>                        | <b>57</b>                         |

**Table 180:** Employees – Committee Services, Records Management and Telecommunication

### 3.28.4 Capital Expenditure – Administration (Committee Services, Records Management and Telecommunication)

| Capital Projects                     | 2012/13      |                   |                    |
|--------------------------------------|--------------|-------------------|--------------------|
|                                      | Budget       | Adjustment Budget | Actual Expenditure |
| R'000                                |              |                   |                    |
| Furniture – CDW's                    | 12           | 10                | 10                 |
| Upgrade CCTV Cameras – Main Building | 500          | 290               | 0                  |
| Data Server                          | 150          | 356               | 356                |
| Vacuum cleaners                      | 15           | 15                | 14                 |
| Furniture                            | 50           | 124               | 133                |
| Mobile Shelving                      | 200          | 171               | 171                |
| Collaborator Server                  | 250          | 0                 | 0                  |
| Clocking System                      | 170          | 170               | 0                  |
| Computer Hardware – Insurance claims | 50           | 50                | 64                 |
| <b>Total</b>                         | <b>1 397</b> | <b>1 186</b>      | <b>748</b>         |

Table 181: Capital Expenditure 2013/14: Administration

## 3.29 Financial Services

### 3.29.1 Total employees – Financial Services

| TASK Job Level    | 2012/13    | 2013/14    |            |                                  |                                   |
|-------------------|------------|------------|------------|----------------------------------|-----------------------------------|
|                   |            | Posts      | Employees  | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |            | Number     |            | %                                |                                   |
| Senior Management | 1          | 1          | 1          | 0                                | 0                                 |
| 19 – 21           | 0          | 2          | 2          | 0                                | 0                                 |
| 14 – 18           | 8          | 8          | 6          | 2                                | 25                                |
| 9 – 13            | 25         | 35         | 33         | 2                                | 5                                 |
| 4 – 8             | 78         | 118        | 68         | 50                               | 42                                |
| 1 – 3             | 0          | 0          | 0          | 0                                | 0                                 |
| <b>Total</b>      | <b>112</b> | <b>164</b> | <b>110</b> | <b>54</b>                        | <b>33</b>                         |

Table 182: Employees – Financial Services

## 3.30 Human Resource Services

### 3.30.1 Highlights – HR

| Highlight                                  | Description  |
|--|--|
| Organisational review and redesign project | Review and redesign of entire organisational structure     |
| Task job evaluation and auditing           | Auditing of critical posts on the organisational structure |

**Table 183:** Highlights: HR

### 3.30.2 Challenges – HR

| Challenge   | Action to address   |
|---|---|
| Recruitment and selection – filling of scarcity posts | Review of the Scarce Skill and Staff Retention Policy               |
| Vacant posts on organisational structure              | Review organisational structure / Re-align organisational structure |

**Table 184:** Challenges: HR

### 3.30.3 Total employees – Human Resource Services

| TASK Job Level    | 2012/13   | 2013/14   |           |                                  |                                   |
|-------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
|                   |           | Posts     | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
|                   |           | Number    |           | %                                |                                   |
| Senior Management | 0         | 0         | 0         | 0                                | 0                                 |
| 19 – 21           | 1         | 0         | 0         | 0                                | 0                                 |
| 14 – 18           | 1         | 7         | 5         | 2                                | 29                                |
| 9 – 13            | 10        | 24        | 8         | 16                               | 66                                |
| 4 – 8             | 4         | 4         | 4         | 0                                | 0                                 |
| 1 – 3             | 0         | 0         | 0         | 0                                | 0                                 |
| <b>Total</b>      | <b>16</b> | <b>35</b> | <b>17</b> | <b>18</b>                        | <b>51</b>                         |

**Table 185:** Employees – Human Resource Services

## COMPONENT I: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes the Annual Performance Scorecard Report for the current year.

### 3.31 Development and Service Delivery Priorities for 2014/15

The main development and service delivery priorities for 2014/15 is the Municipality's top layer SDBIP for 2014/15 and are indicated in the table below:

#### 3.31.1 Deliver quality services in George

| Ref  | KPI  | Unit of Measurement  | Wards | Annual Target |
|------|--|--|-------|---------------|
| TL18 | Provide free basic electricity to indigent households  | Number of households receiving free basic electricity  | All   | 10 000        |
| TL19 | Provide free basic water to indigent households  | Number of households receiving free basic water  | All   | 36 000        |
| TL20 | Provide free basic sanitation to indigent households   | Number of households receiving free basic sanitation   | All   | 14 000        |
| TL21 | Provide free basic refuse removal to indigent households   | Number of households receiving free basic refuse removal   | All   | 15 000        |
| TL22 | The percentage of the municipal capital budget actually spent on capital projects identified in terms of the IDP   | (Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted for capital projects)X100 | All   | 75%           |
| TL23 | Number of formal residential properties that receive piped water that is connected to the municipal water infrastructure network   | Number of residential properties which are billed for water  | All   | 40 000        |
| TL24 | Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas)                   | Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas)      | All   | 34 000        |
| TL25 | Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) | Number of residential properties which are billed for sewerage   | All   | 35 000        |
| TL26 | Number of formal residential properties for which refuse is removed once per week  | Number of residential properties which are billed for refuse removal   | All   | 45 000        |
| TL27 | Establish a Youth Council by end December  | Youth Council established by end of December   | All   | 1             |
| TL29 | Develop a Cemetery Management Policy and submit to Council by the end of June  | Cemetery Management Policy developed and submitted to Council by the end of June                                       | All   | 1             |
| TL32 | Complete planning and design for the Golden Valley (165) housing project by end of June  | Planning and design completed for the Golden Valley housing project by end of June                                     | 1     | 1             |
| TL33 | Construct 100 top structure as part of the Uniondale EPHP project by end of June   | 100 top structure constructed by the end of June   | 25    | 100           |
| TL34 | Complete the zoning maps in terms of the new zoning scheme by the end of June  | Zoning scheme maps completed by the end of June  | All   | 1             |

| Ref  | KPI  | Unit of Measurement   | Wards             | Annual Target |
|------|--|---|-------------------|---------------|
| TL35 | Compile the CBD walkways plan and submit to the Portfolio Committee by end June  | CBD walkways plan submitted to the Portfolio Committee by end June  | 20                | 1             |
| TL36 | Compile a spatial development plan for Haarlem and Uniondale and submit to the Portfolio Committee by end June   | Spatial development plan submitted to the Portfolio committee by end June   | 24; 25            | 1             |
| TL37 | Complete the consultation process with HWC with regards to the Heritage Inventory and submit plan to the Portfolio Committee for consideration by end December   | Heritage Inventory plan submitted to the Portfolio Committee for consideration by end December  | All               | 1             |
| TL38 | Compile the Thembaletu urban upgrade plan and submit first draft to the Portfolio Committee by end June  | Thembaletu urban upgrade plan submitted to the Portfolio Committee by end June  | 9; 10; 11; 12; 13 | 1             |
| TL39 | Compile a business plan for the implementation of the energy efficient projects and submit by end June as required by the Department of Energy   | Plan compiled and submitted by end June   | All               | 1             |
| TL40 | Limit electricity losses to less than 10% (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100  | (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100   | All               | 10%           |
| TL41 | Expand 66kv main network in terms of the approved projects by end June (George transformer)  | Number of projects completed by end June  | All               | 1             |
| TL42 | Upgrade and extend 11kv network in terms of the approved projects by end June  | Number of projects completed by end June  | All               | 5             |
| TL43 | Replace obsolete 11kv switchgear and equipment by end June   | Number of projects completed by end June  | All               | 1             |
| TL44 | Upgrade obsolete Low Voltage Network cables by end June  | Number of projects completed by end June  | 4; 14; 18; 19; 25 | 4             |
| TL45 | Complete Electrification projects by end June  | Number of projects completed by end June  | All               | 4             |
| TL46 | Install a tracking system in 140 vehicles by end June  | Number of vehicles  | All               | 140           |
| TL47 | Replace and upgrade existing fleet by end June   | Number of vehicles purchased by end June  | All               | 8             |
| TL48 | Limit water network losses to less than 15% {(Difference between water supplied and water billed) / (Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100} | Difference between water supplied and water billed) / (Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100 | All               | 15%           |
| TL49 | Rehabilitate and upgrade Streets And Stormwater in terms of the approved budget {(Actual expenditure divided by the total approved budget) × 100}  | % of budget spend (Actual expenditure divided by the total approved budget) × 100   | All               | 85%           |
| TL50 | Rehabilitate and upgrade the proclaimed roads in terms of the approved budget  | % of budget spend (Actual expenditure divided by the total approved budget) × 100   | All               | 85%           |



| Ref  | KPI   | Unit of Measurement   | Wards | Annual Target |
|------|---|---|-------|---------------|
|      | {{(Actual expenditure divided by the total approved budget) x 100}}   |   |       |               |
| TL51 | Implement GO George Public Transport Service to be fully operational by the end of June 2015 in terms of the project plan {{(Actual kilometres implemented divided by planned kilometres) x 100}} | % of network coverage (Actual kilometres implemented divided by planned kilometres) x 100 | All   | 80%           |
| TL52 | Rehabilitate and upgrade Water - Networks in terms of the approved budget {{(Actual expenditure divided by the total approved budget) x 100}}   | % of budget spend (Actual expenditure divided by the total approved budget) x 100         | All   | 85%           |
| TL53 | Rehabilitate and upgrade Water-Purification in terms of the approved budget {{(Actual expenditure divided by the total approved budget) x 100}}   | % of budget spend (Actual expenditure divided by the total approved budget) x 100         | All   | 85%           |
| TL54 | Rehabilitate and upgrade the Sewerage Networks in terms of the approved budget {{(Actual expenditure divided by the total approved budget) x 100}}  | % of budget spend (Actual expenditure divided by the total approved budget) x 100         | All   | 85%           |
| TL55 | Rehabilitate and upgrade the Sewerage Treatment Works in terms of the approved budget {{(Actual expenditure divided by the total approved budget) x 100}}   | % of budget spend (Actual expenditure divided by the total approved budget) x 100         | All   | 85%           |
| TL56 | Achieve Green Drop status per waste water supply system by the end June as a measure of quality management of the system  | Number of awards received by end June   | All   | 2             |

**Table 186:** Service Delivery Priorities for 2014/15 – Deliver quality services in George

## 3.31.2 Good Governance in George

| Ref | KPI  | Unit of Measurement   | Wards | Annual Target |
|-----|--|---|-------|---------------|
| TL1 | Spent 0.5% of operational budget on training ((Actual total training expenditure divided by total operational budget)x100)   | (Actual total training expenditure divided by total operational budget)x100     | All   | 0.50%         |
| TL2 | Number of people from employment equity target groups employed (appointed) in the three highest levels of management in compliance with a municipality's approved employment equity plan | Number of people employed (appointed) in the three highest levels of management | All   | 1             |
| TL3 | Review the organisational structure annually and submit to Council for approval by end December  | Reviewed structure submitted to Council by end December                         | All   | 1             |
| TL8 | Develop a communication strategy and submit to Council by end June   | Communication strategy submitted to Council by end June                         | All   | 1             |
| TL9 | Review the 3 year Internal Audit Plan based on Risk Assessment and submit to audit committee by end September  | RBAP submitted to Audit Committee by end September                              | All   | 1             |

| Ref  | KPI   | Unit of Measurement  | Wards | Annual Target |
|------|---|--|-------|---------------|
| TL10 | Execution of Internal Plan and issuing of Internal Audit Reports based on Internal Audit Plan by end June ((Actual hours completed/ Planned hours to be completed)x100) | % of target hours completed (Actual hours completed/ Planned hours to be completed)x100  | All   | 100%          |
| TL11 | Facilitate the review of the Risk Management Policy and implementation plan and submit to Council by end March  | Risk Management Policy and implementation plan and submitted to Council by end March   | All   | 1             |
| TL12 | Financial viability measured in terms of the available cash to cover fixed operating expenditure  | ((Cash and Cash Equivalents - Unspent Conditional Grants -Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets) | All   | 2             |
| TL13 | Financial viability measured in terms of the municipality's ability to meet it's service debt obligations   | Debt to Revenue (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant   | All   | 45            |
| TL14 | Financial viability measured in terms of the outstanding service debtors  | Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)  | All   | 15.60%        |
| TL15 | Achieve a payment percentage of 96%   | (Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100  | All   | 96%           |
| TL16 | Review the Long Term Financial Plan and submit to Council for approval by end September   | Reviewed Long Term Financial Plan submitted to Council   | All   | 1             |
| TL17 | Maintain an unqualified audit opinion   | Unqualified audit opinion achieved   | All   | 1             |

**Table 187:** Services Delivery Priorities for 2014/15 –Good Governance in George

### 3.31.3 Grow George

| Ref | KPI  | Unit of Measurement  | Wards | Annual Target |
|-----|--|--|-------|---------------|
| TL4 | Establish a LED stakeholder platform by end March                                    | LED stakeholder platform established by end March            | All   | 1             |
| TL5 | Update the LED strategy and submit draft to Council by end March                     | Revised LED strategy submitted to council by end March       | All   | 1             |
| TL6 | Draft an informal economy policy and submit to Council for consideration by end June | Informal economy policy and submitted to Council by end June | All   | 1             |
| TL7 | Create FTE's through government expenditure with the EPWP                            | Number of FTE's created                                      | All   | 96            |

**Table 188:** Services Delivery Priorities for 2014/15 –Grow George

### 3.31.4 Keep George Safe and Green

| Ref  | KPI   | Unit of Measurement   | Wards  | Annual Target |
|------|---|---|--------|---------------|
| TL28 | Review the Disaster Management Plan and submit to Council for approval by end September                           | Reviewed Disaster Management Plan submitted to Council by end September             | All    | 1             |
| TL30 | Developed of Landscaping Management Policy and submit to Council by the end of June                               | Landscaping Management Policy developed and submitted to Council by the end of June | All    | 1             |
| TL31 | Complete an EIA on the closing and rehabilitation of George and Uniondale Landfill sites by end of February       | EIA on George and Uniondale Landfill sites completed by end of February             | 23; 25 | 1             |
| TL57 | Achieve Blue Drop status per water supply system by the end June as a measure of quality management of the system | Number of awards received by end June   | All    | 2             |

**Table 189:** Services Delivery Priorities for 2014/15 - Keep George Safe and Green

## Chapter 4: Organisational Development

### 4.1 National Key Performance Indicators – Municipal Transformation and Organisational Development

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

| Indicators  | 2012/13 | 2013/14 |
|---|---------|---------|
| The number of people from <b>employment equity</b> target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan | 0       | 1       |
| The percentage of a municipality's budget actually spent on implementing its workplace skills plan  | 1%      | 1%      |

**Table 190:** National KPIs– Municipal Transformation and Organisational Development

### 4.2 Introduction to the Municipal Workforce

The George Municipality currently employs **984** (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

#### 4.2.1 Employment Equity targets and actuals

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer.

| Black       |             |                   | Coloured    |             |                   | Indian      |             |                   | White       |             |                   |
|-------------|-------------|-------------------|-------------|-------------|-------------------|-------------|-------------|-------------------|-------------|-------------|-------------------|
| Target June | Actual June | % of Target reach | Target June | Actual June | % of Target reach | Target June | Actual June | % of Target reach | Target June | Actual June | % of Target reach |
| 365         | 290         | 79%               | 556         | 370         | 67%               | 35          | 2           | 6%                | 175         | 136         | 78%               |

**Table 191:** 2012/13 EE targets/Actual by racial classification

| Male        |             |                   | Female      |             |                   |
|-------------|-------------|-------------------|-------------|-------------|-------------------|
| Target June | Actual June | % of Target reach | Target June | Actual June | % of Target reach |
| 947         | 630         | 67%               | 982         | 354         | 36%               |

**Table 192:** 2013/14 EE targets/actual by gender classification

## 4.2.2 Occupational Categories – Race

Below is a table that indicate the number of employees by race within the specific occupational categories:

| Posts filled                               |            |            |          |           |           |            |          |           |              |
|--|------------|------------|----------|-----------|-----------|------------|----------|-----------|--------------|
| Occupational categories                    | Male       |            |          |           | Female    |            |          |           | Total        |
|  | A          | C          | I        | W         | A         | C          | I        | W         |              |
| Legislators, senior officials and managers | 12         | 18         | 0        | 19        | 8         | 4          | 1        | 3         | 65           |
| Professionals                              | 4          | 19         | 1        | 17        | 1         | 10         | 1        | 13        | 66           |
| Technicians and associate professionals    | 4          | 11         | 0        | 13        | 0         | 2          | 0        | 0         | 30           |
| Clerks                                     | 19         | 83         | 0        | 20        | 38        | 105        | 1        | 35        | 301          |
| Service and sales workers                  | 13         | 32         | 0        | 6         | 8         | 19         | 0        | 4         | 82           |
| Craft and related trades workers           |            |            |          |           |           |            |          |           |              |
| Plant and machine operators and assemblers | 41         | 46         | 0        | 7         | 3         | 6          | 0        | 0         | 103          |
| Elementary occupations                     | 127        | 141        | 0        | 7         | 38        | 74         | 1        | 1         | 389          |
| <b>Total</b>                               | <b>220</b> | <b>350</b> | <b>1</b> | <b>89</b> | <b>96</b> | <b>220</b> | <b>4</b> | <b>56</b> | <b>1 036</b> |
| <i>Numbers include councillors</i>         |            |            |          |           |           |            |          |           |              |

**Table 193:** Occupational Categories

## 4.2.3 Occupational Levels - Race

The table below categories the number of employees by race within the occupational levels:

| Occupational Levels   | Male       |            |          |           | Female     |            |          |           | Total        |
|---|------------|------------|----------|-----------|------------|------------|----------|-----------|--------------|
|   | A          | C          | I        | W         | A          | C          | I        | W         |              |
| Top Management  | 0          | 3          | 0        | 3         | 0          | 0          | 0        | 0         | 6            |
| Senior management   | 0          | 1          | 0        | 2         | 0          | 0          | 0        | 1         | 4            |
| Professionally qualified and experienced specialists and mid- management  | 3          | 21         | 0        | 17        | 1          | 4          | 0        | 6         | 52           |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents | 28         | 85         | 1        | 38        | 17         | 56         | 1        | 25        | 251          |
| Semi-skilled and discretionary decision making  | 102        | 135        | 0        | 21        | 44         | 105        | 0        | 21        | 428          |
| Unskilled and defined decision making   | 73         | 96         | 0        | 1         | 22         | 50         | 0        | 1         | 243          |
| <b>Total permanent</b>  | <b>206</b> | <b>341</b> | <b>1</b> | <b>82</b> | <b>84</b>  | <b>215</b> | <b>1</b> | <b>54</b> | <b>984</b>   |
| Non- permanent employees  | 25         | 67         | 0        | 10        | 23         | 60         | 0        | 6         | 191          |
| <b>Grand total</b>  | <b>231</b> | <b>408</b> | <b>1</b> | <b>92</b> | <b>107</b> | <b>275</b> | <b>1</b> | <b>60</b> | <b>1 175</b> |

**Table 194:** Occupational Levels

## 4.2.4 Departments - Race

The following table categories the number of employees by race within the different departments:

| Department                      | Male       |            |          |           | Female     |            |          |           | Total        |
|---------------------------------|------------|------------|----------|-----------|------------|------------|----------|-----------|--------------|
|                                 | A          | C          | I        | W         | A          | C          | I        | W         |              |
| Office of the Municipal Manager | 2          | 3          | 0        | 2         | 0          | 10         | 0        | 6         | 23           |
| Financial Services              | 7          | 29         | 0        | 8         | 12         | 32         | 0        | 22        | 110          |
| Planning and Housing            | 3          | 20         | 0        | 9         | 3          | 15         | 0        | 4         | 54           |
| Corporate Services              | 8          | 22         | 0        | 4         | 12         | 28         | 0        | 4         | 78           |
| Community Services              | 78         | 102        | 0        | 20        | 27         | 74         | 0        | 11        | 312          |
| Electro Technical Services      | 30         | 33         | 1        | 24        | 13         | 19         | 1        | 4         | 125          |
| Civil Engineering Services      | 78         | 132        | 0        | 15        | 17         | 37         | 0        | 3         | 282          |
| <b>Total permanent</b>          | <b>206</b> | <b>341</b> | <b>1</b> | <b>82</b> | <b>84</b>  | <b>215</b> | <b>1</b> | <b>54</b> | <b>984</b>   |
| Non- permanent                  | 25         | 67         | 0        | 10        | 23         | 60         | 0        | 6         | 191          |
| <b>Grand total</b>              | <b>231</b> | <b>408</b> | <b>1</b> | <b>92</b> | <b>107</b> | <b>275</b> | <b>1</b> | <b>60</b> | <b>1 175</b> |

Table 195: Department - Race

## 4.3 Vacancy Rate

The approved organogram for the municipality had 1 929 posts for the 2013/14 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 945 Posts were vacant at the end of 2013/14, resulting in a vacancy rate of 48.9%.

Below is a table that indicates the vacancies within the municipality:

| PER POST LEVEL                             |            |            |
|--|------------|------------|
| Post level                                 | Filled     | Vacant     |
| Top Management                             | 6          | 3          |
| Senior Management                          | 4          | 1          |
| Middle management                          | 52         | 28         |
| Skilled                                    | 251        | 245        |
| Semi-Skilled                               | 428        | 435        |
| Unskilled                                  | 243        | 233        |
| <b>Total</b>                               | <b>984</b> | <b>945</b> |
| PER FUNCTIONAL LEVEL                       |            |            |
| Functional area                            | Filled     | Vacant     |
| Office of the Municipal Manager            | 23         | 29         |
| Financial Services                         | 110        | 50         |
| Corporate Services                         | 78         | 107        |
| Human Settlements, Land Affairs & Planning | 54         | 65         |

| PER POST LEVEL             |            |            |
|----------------------------|------------|------------|
| Post level                 | Filled     | Vacant     |
| Community Services         | 312        | 281        |
| Electro Technical Services | 125        | 138        |
| Civil Engineering Services | 282        | 275        |
| <b>Total</b>               | <b>984</b> | <b>945</b> |

**Table 196:** Vacancy rate per post and functional level

## 4.4 Turnover rate

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality.

The table below indicates the turn-over rate over the last two years:

| Financial year | Total no appointments at the end of each Financial Year | New appointments | No Terminations during the year | Turn-over Rate |
|----------------|---|------------------|---------------------------------|----------------|
| 2012/13        | 989   | 37               | 33                              | 3.34%          |
| 2013/14        | 984   | 46               | 45                              | 4.57%          |

**Table 197:** Turnover Rate

## 4.5 Managing the Municipal Workforce

Managing the municipal workforce refers to analysing and coordinating employee behaviour.

### 4.5.1 Injuries

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The table below indicates the total number of injuries within the different directorates:

| Directorates                               | 2012/13 | 2013/14 |
|--|---------|---------|
| Office of the Municipal Manager            | 2       | 1       |
| Financial Services                         | 1       | 0       |
| Corporate Services                         | 14      | 5       |
| Human Settlements, Land Affairs & Planning | 4       | 5       |
| Community Services                         | 33      | 35      |
| Electro Technical Services                 | 8       | 15      |
| Civil Engineering Services                 | 56      | 65      |

| Directorates | 2012/13    | 2013/14    |
|--------------|------------|------------|
| <b>Total</b> | <b>118</b> | <b>126</b> |

**Table 198:** Injuries

#### 4.5.2 Sick Leave

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The table below indicates the total number sick leave days taken within the different directorates:

| Department                                 | 2012/13      | 2013/14      |
|--|--------------|--------------|
| Office of the Municipal Manager            | 159          | 114          |
| Financial Services                         | 1 299        | 1 322        |
| Corporate Services                         | 969          | 554          |
| Human Settlements, Land Affairs & Planning | 467          | 565          |
| Community Services                         | 2 304        | 2 624        |
| Electro Technical Services                 | 1 126        | 1 338        |
| Civil Engineering Services                 | 2 680        | 2 625        |
| <b>Total</b>                               | <b>9 004</b> | <b>9 142</b> |

**Table 199:** Sick Leave

#### 4.5.3 HR Policies and Plans

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the HR policies and plans that are approved:

| Approved policies                        |                        |
|--|------------------------|
| Name of policy                           | Date approved/ revised |
| Appointment Policy                       | 29 August 2012         |
| Acting Policy                            | 29 November 2012       |
| Overtime Policy                          | 29 November 2012       |
| Placement Policy                         | 29 November 2012       |
| Succession and Career Path Policy        | 29 November 2012       |
| Training and Development Policy          | 29 November 2012       |
| Scarce Skills and Staff Retention Policy | March 2008             |
| Experiential Policy                      | 29 November 2012       |
| Internal Bursary Policy                  | March 2010             |
| External Bursary Policy                  | March 2010             |
| Personal Protective Equipment Policy     | 29 November 2012       |



| Name of policy       | Date approved/ revised |
|----------------------|------------------------|
| Motor Vehicle Policy | 29 August 2012         |

**Table 200:** HR policies and plans

The Human Resources department submits policies to the Local Labour Forum on a regular basis for review purposes.

## 4.6 Capacitating the Municipal Workforce

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

### 4.6.1 Skills Matrix

The table below indicates the number of employees that received training in the year under review:

| Management level                       | Gender | Number of employees identified for training at start of the year | Number of Employees that received training |
|--|--------|--|--|
| Legislators                            | Female | 0  | 0  |
|  | Male   | 0  | 0  |
| MM and Directors                       | Female | 0  | 0  |
|  | Male   | 0  | 3  |
| Professionals                          | Female | 13   | 19   |
|  | Male   | 13   | 29   |
| Technicians                            | Female | 20   | 0  |
|  | Male   | 18   | 1  |
| Community and Personal Service workers | Female | 42   | 6  |
|  | Male   | 44   | 27   |
| Clerical and Administrative Workers    | Female | 68   | 36   |
|  | Male   | 64   | 26   |
| Machine operators and drivers          | Female | 9  | 9  |
|  | Male   | 49   | 9  |
| Labourers                              | Female | 59   | 29   |
|  | Male   | 80   | 21   |
| Sub total                              | Female | 211  | 99   |
|  | Male   | 268  | 116  |
| Total                                  |        | 479  | 215  |

**Table 201:** Skills Matrix

The reason for the total identified group not being trained is due to budgetary constraints and also dependence on the discretionary grant applications to the LGSETA for learnerships.

The following training was provided for employees trained:

- ❖ Minimum Competency Level Training
- ❖ LGAAC
- ❖ Water Treatment Practice
- ❖ Community Ward Based Training
- ❖ Matric
- ❖ Information Communication Technology
- ❖ Law Enforcement training
- ❖ Fire Fighter 2
- ❖ Hasmet Operational
- ❖ Windows server 2012
- ❖ Assessor training
- ❖ Supervisory
- ❖ Security training
- ❖ B-Tech Local Government
- ❖ B-Tech Road Traffic and Municipal Police Management
- ❖ ND Electrical Engineering
- ❖ Bachelor of Accounting Science
- ❖ MBA

#### 4.6.2 Skills Development – Training provided

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1) (f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

| Occupational categories | Gender | Number of employees as at the beginning of the financial year | Training provided within the reporting period |        |   |        |        |        |            |
|-------------------------|--------|---|---|--------|---|--------|--------|--------|------------|
|                         |        |   | Learnerships                                  |        | Skills programmes & other short courses |        | Total  |        |            |
|                         |        |   | Actual  | Target | Actual                                  | Target | Actual | Target | % achieved |
| Legislators             | Female | 0   | 0   | 0      | 0                                       | 0      | 0      | 0      | n/a        |
|                         | Male   | 0   | 0   | 0      | 0                                       | 0      | 0      | 0      | n/a        |
| MM and S57              | Female | 0   | 0   | 0      | 0                                       | 0      | 0      | 0      | n/a        |
|                         | Male   | 5   | 4   | 4      | 0                                       | 0      | 4      | 4      | 100%       |
| Professionals           | Female | 27  | 19  | 13     | 0                                       | 0      | 19     | 13     | 146%       |

| Occupational categories             | Gender | Number of employees as at the beginning of the financial year | Training provided within the reporting period |        |   |        |        |        |            |
|-------------------------------------|--------|---|---|--------|---|--------|--------|--------|------------|
|                                     |        |   | Learnerships                                  |        | Skills programmes & other short courses |        | Total  |        |            |
|                                     |        |   | Actual  | Target | Actual                                  | Target | Actual | Target | % achieved |
|                                     | Male   | 51  | 29  | 13     | 0                                       | 0      | 29     | 13     | 223%       |
| Technicians                         | Female | 2   | 0   | 0      | 0                                       | 2      | 0      | 2      | 0%         |
|                                     | Male   | 28  | 0   | 0      | 1                                       | 15     | 1      | 15     | 7%         |
| Community and Service workers       | Female | 31  | 0   | 42     | 6                                       | 0      | 6      | 42     | 14%        |
|                                     | Male   | 51  | 0   | 44     | 27                                      | 0      | 27     | 44     | 61%        |
| Clerical and Administrative Workers | Female | 179   | 5   | 33     | 31                                      | 35     | 36     | 68     | 53%        |
|                                     | Male   | 122   | 1   | 33     | 25                                      | 31     | 26     | 64     | 41%        |
| Machine operators and drivers       | Female | 9   | 0   | 7      | 9                                       | 9      | 9      | 9      | 100%       |
|                                     | Male   | 94  | 1   | 33     | 8                                       | 16     | 9      | 49     | 18%        |
| Labourers                           | Female | 114   | 20  | 51     | 8                                       | 8      | 28     | 59     | 47%        |
|                                     | Male   | 275   | 16  | 66     | 5                                       | 14     | 21     | 80     | 26%        |
| Sub total                           | Female | 362   | 44  | 146    | 54                                      | 54     | 98     | 193    | 51%        |
|                                     | Male   | 626   | 51  | 193    | 66                                      | 76     | 117    | 269    | 43%        |
| Total                               |        | 988   | 95  | 339    | 120                                     | 130    | 215    | 462    | 47%        |

Table 202: Skills Development

#### 4.6.3 Skills Development - Budget allocation

The table below indicates that a total amount of R 567 500 were allocated to the workplace skills plan and that 76% of the total amount was spent in the 2013/14 financial year:

| Year    | Total personnel budget | Total Allocated | Total Spend | % Spent |
|---------|------------------------|-----------------|-------------|---------|
|         | R'000                  |                 |             |         |
| 2012/13 | 262 125                | 524             | 329         | 62,88%  |
| 2013/14 | 294 618                | 567             | 429         | 75,58%  |

Table 203: Budget allocated and spent for skills development

#### 4.6.4 MFMA Competencies

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, “(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 as per Government Notice 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations.”

The table below provides details of the financial competency development progress as required by the regulation:

| Description  | Total number of officials employed by municipality (Regulation 14(4)(a) and (c)) | Competency assessments completed (Regulation 14(4)(b) and (d)) | Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f)) | Total number of officials that meet prescribed competency levels (Regulation 14(4)(e)) |
|--|--|--|--|--|
| <b>Financial Officials</b>   |  |  |  |  |
| Accounting officer   | 1  | 0  | 0  | 0  |
| Chief financial officer  | 1  | 0  | 0  | 0  |
| Senior managers  | 4  | 2  | 2  | 2  |
| Any other financial officials  | 26   | 9  | 0  | 9  |
| <b>Supply Chain Management Officials</b>                                 |  |  |  |  |
| Heads of supply chain management units                                   | 1  | 1  | 0  | 1  |
| Supply chain management senior managers                                  | 2  | 1  | 0  | 1  |
| <b>Sub Total</b>   | <b>35</b>  | <b>13</b>  | <b>2</b>   | <b>13</b>  |
| <b>Other Officials for the purpose of acting and succession planning</b> |  |  |  |  |
| Other Officials  | 27   | 0  | 0  | 0  |
| <b>Total</b>   | <b>62</b>  | <b>13</b>  | <b>2</b>   | <b>13</b>  |

**Table 204:** Financial Competency Development: Progress Report

## 4.7 Managing the Municipal Workforce Expenditure

Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

## 4.7.1 Personnel Expenditure

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past three financial years and that the municipality is well within the national norm of between 35 to 40%:

| Financial year | Total Expenditure salary and allowances | Total Operating Expenditure | Percentage |
|----------------|---|-----------------------------|------------|
|                | R'000                                   |                             | %          |
| 2012/13        | 269 141                                 | 1 005 269                   | 26.77%     |
| 2013/14        | 311 797                                 | 1 224 851                   | 25.46%     |

Table 205: Personnel Expenditure

Below is a summary of Councillor and staff benefits for the year under review:

| Financial year                                    | 2012/13 | 2013/14         |                 |        |
|---|---------|-----------------|-----------------|--------|
| Description                                       | Actual  | Original Budget | Adjusted Budget | Actual |
|   | R'000   |                 |                 |        |
| Councillors (Political Office Bearers plus Other) |         |                 |                 |        |
| Executive Mayor                                   | 413     | 538             | 538             | 423    |
| Deputy Executive Mayor                            | 350     | 430             | 430             | 367    |
| Speaker   | 402     | 430             | 430             | 416    |
| Chief Whip  | 328     | 430             | 430             | 344    |
| Mayoral Committee Members                         | 3 031   | 3 631           | 3 631           | 3 220  |
| Councillors                                       | 5 010   | 6 025           | 6 025           | 5 294  |
| Councillors' pension and medical aid contribution | 925     | 864             | 864             | 949    |
| Travelling expenses                               | 3 393   | 3 828           | 3 828           | 3 534  |
| Cell phone expenses                               | 716     | 775             | 775             | 1 020  |
| Sub Total - Councillors                           | 14 568  | 16 952          | 16 952          | 15 568 |
| % increase/ (decrease)                            | -       | 16.4%           | 0%              | (8.1%) |
| Senior Managers of the Municipality               |         |                 |                 |        |
| Annual Remuneration                               | 8 273   | 10 183          | 10 183          | 9 053  |
| Acting Allowance                                  | 0       | 0               | 0               | 0      |
| Car Allowance                                     | 0       | 0               | 0               | 0      |
| Settlement Payment                                | 0       | 0               | 0               | 0      |
| Bonus & Long Service Bonus                        | 0       | 0               | 0               | 0      |
| Performance Bonus                                 | 136     | 0               | 0               | 0      |
| Contribution to UIF, Medical & Pension            | 0       | 0               | 0               | 0      |
| Housing Subsidy                                   | 0       | 0               | 0               | 0      |

| Financial year                                      | 2012/13 | 2013/14         |                 |         |
|---|---------|-----------------|-----------------|---------|
| Description   | Actual  | Original Budget | Adjusted Budget | Actual  |
|   | R'000   |                 |                 |         |
| Telephone Allowance                                 | 0       | 0               | 0               | 0       |
| Leave Pay-Out                                       | 0       | 0               | 0               | 0       |
| Sub Total - Senior Managers of Municipality         | 8 409   | 10 183          | 10 183          | 9 053   |
| % increase/ (decrease)                              | -       | 2.1%            | 0%              | (11.1%) |
| Other Municipal Staff                               |         |                 |                 |         |
| Basic Salaries and Wages(Excluding Senior Managers) | 154 167 | 188 391         | 188 983         | 178 921 |
| Long – service awards                               | 1 023   | 1 223           | 1 267           | 1 739   |
| Pension Contributions                               | 24 394  | 27 255          | 27 295          | 28 795  |
| Medical Aid Contributions                           | 10 539  | 15 530          | 15 530          | 12 477  |
| Motor vehicle allowance                             | 10 482  | 10 725          | 10 955          | 11 295  |
| Cell phone allowance                                | 721     | 677             | 692             | 844     |
| Housing allowance                                   | 1 255   | 1 174           | 1 174           | 1 135   |
| Overtime  | 18 148  | 16 709          | 17 749          | 24 240  |
| Employee benefit obligations                        | 16 648  | 0               | 0               | 19 804  |
| Other benefits or allowances                        | 23 542  | 20 340          | 20 090          | 23 494  |
| Sub Total - Other Municipal Staff                   | 260 919 | 282 024         | 283 735         | 302 744 |
| % increase/ (decrease)                              | 8.1%    | 0.6%            | 6.7%            | 8.1%    |
| Total Municipality                                  | 283 896 | 292 207         | 293 918         | 311 797 |
| % increase/ (decrease)                              | 2.9%    | 0.6%            | 6.1%            | 2.9%    |

Table 206: Personnel Expenditure

## Chapter 5: Financial Performance

### Component A: Statement of Financial Performance

The Statement of financial performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

#### 5.1 Financial Summary

##### 5.1.1 Financial Performance

The table below indicates the summary of the financial performance for the 2013/14 financial year:

| Description   | 2012/13                        | 2013/14            |                    |           | 2013/14 Variance   |                            |
|---|--------------------------------|--------------------|--------------------|-----------|--------------------|----------------------------|
|   | Actual<br>(Audited<br>Outcome) | Original<br>Budget | Adjusted<br>Budget | Actual    | Original<br>Budget | Adjust-<br>ments<br>Budget |
|   | R'000                          |                    |                    |           | %                  |                            |
| Financial Performance   |                                |                    |                    |           |                    |                            |
| Property rates  | 143,438                        | 158,933            | 154,105            | 154,011   | -3.20              | -0.06                      |
| Service charges   | 599,559                        | 626,328            | 632,738            | 641,585   | 2.38               | 1.38                       |
| Investment revenue  | 18,257                         | 18,177             | 21,977             | 26,317    | 30.93              | 16.49                      |
| Transfers recognised - operational                            | 149,611                        | 262,438            | 323,125            | 284,016   | 7.60               | -13.77                     |
| Other own revenue   | 50,863                         | 52,941             | 47,016             | 111,649   | 52.58              | 57.89                      |
| Total Revenue (excluding capital transfers and contributions) | 961,729                        | 1,118,817          | 1,178,961          | 1,217,579 | 8.11               | 3.17                       |
| Employee costs  | 269,333                        | 291,994            | 293,961            | 311,839   | 6.36               | 5.73                       |
| Remuneration of councillors                                   | 14,548                         | 16,952             | 16,952             | 15,568    | -8.89              | -8.89                      |
| Depreciation & asset impairment                               | 106,204                        | 100,225            | 113,254            | 110,053   | 8.93               | -2.91                      |
| Finance charges   | 31,206                         | 51,536             | 50,613             | 51,160    | -0.74              | 1.07                       |
| Materials and bulk purchases                                  | 276,585                        | 302,087            | 300,098            | 287,964   | -4.90              | -4.21                      |
| Transfers and grants  | 1,520                          | 2,318              | 2,523              | 2,368     | 2.12               | -6.53                      |
| Other expenditure   | 300,168                        | 408,812            | 490,204            | 477,526   | 14.39              | -2.65                      |
| Total Expenditure   | 999,564                        | 1,173,924          | 1,267,605          | 1,256,477 | 6.57               | -0.89                      |
| Surplus/(Deficit)   | (37,835)                       | (55,108)           | (88,645)           | (38,899)  | -41.67             | -127.89                    |
| Transfers recognised - capital                                | 82,905                         | 157,542            | 273,388            | 273,074   | 42.31              | -0.12                      |
| Contributions recognised - capital & contributed assets       | 9,313                          | 6,620              | 8,820              | 17,291    | 61.71              | 48.99                      |
| Surplus/(Deficit) after capital transfers & contributions     | 54,384                         | 109,055            | 193,564            | 251,466   | 56.63              | 23.03                      |
| Capital expenditure & funds sources                           |                                |                    |                    |           |                    |                            |
| Capital expenditure   |                                |                    |                    |           |                    |                            |
| Transfers recognised - capital                                | 82,905                         | 130,051            | 279,246            | 133,921   | 2.89               | -108.51                    |

| Description                                  | 2012/13                        | 2013/14            |                    |                | 2013/14 Variance   |                            |
|--|--------------------------------|--------------------|--------------------|----------------|--------------------|----------------------------|
|  | Actual<br>(Audited<br>Outcome) | Original<br>Budget | Adjusted<br>Budget | Actual         | Original<br>Budget | Adjust-<br>ments<br>Budget |
|  | R'000                          |                    |                    |                | %                  |                            |
| Public contributions & donations             | 749                            | 6,000              | 17,759             | 15,848         | 62.14              | -12.06                     |
| Borrowing                                    | 0                              | 64,580             | 19,648             | 10,595         | -509.53            | -85.45                     |
| Internally generated funds                   | 36,306                         | 50,393             | 50,882             | 45,641         | -10.41             | -11.48                     |
| <b>Total sources of capital funds</b>        | <b>119,961</b>                 | <b>251,024</b>     | <b>367,535</b>     | <b>206,005</b> | <b>-21.85</b>      | <b>-78.41</b>              |
| <b>Financial position</b>                    |                                |                    |                    |                |                    |                            |
| Total current assets                         | 618,359                        | 503,096            | 582,251            | 893,201        | 43.67              | 34.81                      |
| Total non-current assets                     | 2,474,914                      | 2,351,469          | 2,665,344          | 2,570,624      | 8.53               | -3.68                      |
| Total current liabilities                    | 264,598                        | 180,022            | 269,572            | 384,082        | 53.13              | 29.81                      |
| Total non-current liabilities                | 581,124                        | 602,174            | 560,100            | 581,765        | -3.51              | 3.72                       |
| Community wealth/Equity                      | 2,247,551                      | 2,072,370          | 2,417,923          | 2,497,977      | 17.04              | 3.20                       |
| <b>Cash flows</b>                            |                                |                    |                    |                |                    |                            |
| Net cash from (used) operating               | 193,789                        | (15,971)           | 296,384            | 477,098        | 103.35             | 37.88                      |
| Net cash from (used) investing               | (111,970)                      | (238,018)          | (253,092)          | (330,023)      | 27.88              | 23.31                      |
| Net cash from (used) financing               | 185,058                        | 295,091            | 249,562            | 240,120        | -22.89             | -3.93                      |
| <b>Cash/cash equivalents at the year end</b> | <b>266,877</b>                 | <b>41,102</b>      | <b>292,853</b>     | <b>387,195</b> | <b>89.38</b>       | <b>24.37</b>               |
| <b>Cash backing/surplus reconciliation</b>   |                                |                    |                    |                |                    |                            |
| Cash and investments available               | 266,877                        | 270,578            | 292,853            | 387,195        | 30.12              | 24.37                      |
| Application of cash and investments          | (266,877)                      | (108,103)          | (198,848)          | (216,785)      | 50.13              | 8.27                       |
| <b>Balance - surplus (shortfall)</b>         | <b>0</b>                       | <b>162,475</b>     | <b>94,005</b>      | <b>170,410</b> | <b>4.66</b>        | <b>44.84</b>               |
| <b>Asset management</b>                      |                                |                    |                    |                |                    |                            |
| Asset register summary (WDV)                 | 2,473,751                      | 2,300,382          | 2,664,473          | 2,569,635      | 10.48              | -3.69                      |
| Depreciation & asset impairment              | 106,204                        | 100,225            | 113,254            | 110,053        | 8.93               | -2.91                      |
| Renewal of Existing Assets                   | 19,734                         | 59,519             | 23,865             | 22,317         | -166.69            | -6.94                      |
| Repairs and Maintenance                      | 62,122                         | 68,507             | 70,951             | 65,059         | -5.30              | -9.06                      |

**Table 207:** Financial Performance 2013/14



The table below shows a summary of performance against budgets:

| Financial<br>Year | Revenue   |           |          |    | Operating expenditure |           |        |   |
|-------------------|-----------|-----------|----------|----|-----------------------|-----------|--------|---|
|                   | Budget    | Actual    | Diff.    | %  | Budget                | Actual    | Diff.  | % |
|                   | R'000     |           |          |    | R'000                 |           |        |   |
| 2012/13           | 1,084,006 | 1,054,225 | (29,781) | -3 | 1,019,256             | 999,841   | 19,415 | 2 |
| 2013/14           | 1,461,169 | 1,507,943 | 46,774   | 3  | 1,267,605             | 1,256,477 | 11,128 | 1 |

**Table 208:** Performance against budgets

## 5.1.2 Revenue collection by vote

The table below indicates the Revenue collection performance by vote

| Vote Description                                    | 2012/13          |                  | 2013/14          |                  | 2013/14 Variance |                    |
|---|------------------|------------------|------------------|------------------|------------------|--------------------|
|   | Actual           | Original Budget  | Adjusted Budget  | Actual           | Original Budget  | Adjustments Budget |
|   | R'000            |                  |                  |                  | %                |                    |
| Vote 1 - Office of the Municipal Manager            | 456              | 742              | 690              | 4,861            | 84.74            | 85.81              |
| Vote 2 - Corporate Services                         | 3,617            | 2,399            | 2,669            | 4,241            | 43.43            | 37.06              |
| Vote 3 - Community Services                         | 101,849          | 104,169          | 97,450           | 164,910          | 36.83            | 40.91              |
| Vote 4 - Human Settlements, Land Affairs & Planning | 48,088           | 46,191           | 49,482           | 35,452           | -30.29           | -39.57             |
| Vote 5 - Civil Engineering Services                 | 287,011          | 474,138          | 658,886          | 638,642          | 25.76            | -3.17              |
| Vote 6 - Electro-technical Services                 | 440,618          | 466,767          | 468,209          | 474,145          | 1.56             | 1.25               |
| Vote 7 - Financial Services                         | 172,585          | 188,574          | 183,782          | 185,692          | -1.55            | 1.03               |
| <b>Total Revenue by Vote</b>                        | <b>1,054,225</b> | <b>1,282,979</b> | <b>1,461,169</b> | <b>1,507,943</b> | <b>14.92</b>     | <b>3.10</b>        |

**Table 209:** Revenue by Vote

## 5.1.3 Revenue collection by Source

The table below indicates the Revenue collection performance by source for the 2013/14 financial year:

| Description                                     | 2012/13 |                 | 2013/14         |         | 2013/14 Variance |                    |
|---|---------|-----------------|-----------------|---------|------------------|--------------------|
|   | Actual  | Original Budget | Adjusted Budget | Actual  | Original Budget  | Adjustments Budget |
|   | R'000   |                 |                 |         | %                |                    |
| Property rates                                  | 143,438 | 158,933         | 154,105         | 154,011 | -3.20            | -0.06              |
| Property rates - penalties & collection charges | 3,845   | 5,212           | 5,212           | 3,759   | -38.66           | -38.66             |
| Service Charges - electricity revenue           | 422,009 | 444,276         | 441,118         | 445,931 | 0.37             | 1.08               |
| Service Charges - water revenue                 | 85,158  | 86,723          | 85,853          | 91,036  | 4.74             | 5.69               |
| Service Charges - sanitation revenue            | 54,625  | 56,220          | 64,800          | 63,811  | 11.90            | -1.55              |

| Description  | 2012/13        |                  | 2013/14          |                  | 2013/14 Variance |                    |
|--|----------------|------------------|------------------|------------------|------------------|--------------------|
|  | Actual         | Original Budget  | Adjusted Budget  | Actual           | Original Budget  | Adjustments Budget |
|  | R'000          |                  |                  |                  | %                |                    |
| Service Charges - refuse revenue                                     | 37,420         | 38,736           | 40,593           | 40,432           | 4.20             | -0.40              |
| Service Charges - other  | 347            | 373              | 373              | 375              | 0.63             | 0.63               |
| Rentals of facilities and equipment                                  | 2,158          | 2,192            | 2,136            | 2,273            | 3.52             | 6.02               |
| Interest earned - external investments                               | 14,613         | 13,872           | 17,672           | 22,386           | 38.03            | 21.06              |
| Interest earned - outstanding debtors                                | 3,644          | 4,305            | 4,305            | 3,932            | -9.49            | -9.49              |
| Dividends received   | 0              | 0                | 0                | 0                | 0                | 0                  |
| Fines  | 20,069         | 22,499           | 15,755           | 60,966           | 63.10            | 74.16              |
| Licenses and permits   | 2,508          | 2,454            | 2,454            | 2,089            | -17.49           | -17.49             |
| Agency services  | 6,291          | 6,534            | 6,534            | 6,961            | 6.15             | 6.15               |
| Transfers recognised - operational                                   | 149,611        | 262,438          | 323,125          | 284,016          | 7.60             | -13.77             |
| Other revenue  | 25,287         | 20,669           | 23,746           | 52,892           | 60.92            | 55.10              |
| Gains on disposal of PPE   | 296            | 0                | 0                | 0                | 0                | 0                  |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>971,320</b> | <b>1,125,437</b> | <b>1,187,781</b> | <b>1,234,869</b> | <b>8.86</b>      | <b>3.81</b>        |

Table 210: Revenue by Source

#### 5.1.4 Operational Services Performance

The table below indicates the Operational services performance for the 2013/14 financial year:

| Description                | 2012/13  | 2013/14         |                 |          | 2013/14 Variance |                    |
|----------------------------|----------|-----------------|-----------------|----------|------------------|--------------------|
|                            | Actual   | Original Budget | Adjusted Budget | Actual   | Original Budget  | Adjustments Budget |
|                            | R'000    |                 |                 |          | %                |                    |
| Operating Cost             |          |                 |                 |          |                  |                    |
| Water                      | 39,358   | 23,656          | 17,555          | 7,173    | -229.79          | -144.74            |
| Waste Water (Sanitation)   | 40,683   | 56,414          | 69,551          | 64,623   | 12.70            | -7.63              |
| Electricity                | 81,865   | 61,268          | 61,269          | 89,466   | 31.52            | 31.52              |
| Waste Management           | 10,779   | 13,711          | 15,094          | 19,856   | 30.95            | 23.98              |
| Housing                    | (11,672) | (21,308)        | (37,101)        | (22,658) | 5.96             | -63.74             |
| Component A: sub-total     | 161,013  | 133,741         | 126,368         | 158,460  | 15.60            | 20.25              |
| Roads & Stormwater         | (76,866) | (83,095)        | (79,380)        | (69,624) | -19.35           | -14.01             |
| Transport                  | 0        | 92,130          | 193,162         | 192,369  | 52.11            | -0.41              |
| Component B: sub-total     | (76,866) | 9,035           | 113,782         | 122,744  | 92.64            | 7.30               |
| Planning                   | (10,926) | (12,744)        | (12,411)        | (10,024) | -27.13           | -23.82             |
| Local Economic Development | (1,366)  | (2,244)         | (1,772)         | (1,820)  | -23.24           | 2.67               |

| Description  | 2012/13         | 2013/14         |                 |                 | 2013/14 Variance |                    |
|--|-----------------|-----------------|-----------------|-----------------|------------------|--------------------|
|  | Actual          | Original Budget | Adjusted Budget | Actual          | Original Budget  | Adjustments Budget |
|  | R'000           |                 |                 |                 | %                |                    |
| <b>Component C: sub-total</b>  | <b>(12,293)</b> | <b>(14,987)</b> | <b>(14,183)</b> | <b>(11,844)</b> | <b>-26.54</b>    | <b>-19.75</b>      |
| Libraries  | (5,585)         | (6,405)         | (6,052)         | (5,724)         | -11.90           | -5.74              |
| Social services & community development  | (5,478)         | (6,094)         | (6,108)         | (5,643)         | -7.98            | -8.23              |
| <b>Component D: sub-total</b>  | <b>(11,063)</b> | <b>(12,498)</b> | <b>(12,160)</b> | <b>(11,367)</b> | <b>-9.95</b>     | <b>-6.98</b>       |
| Environmental Protection (pollution control, bio-diversity, landscape, open spaces, parks and coastal protection)                              | 8,573           | (6,998)         | (7,448)         | (8,652)         | 19.12            | 13.91              |
| <b>Component E: sub-total</b>  | <b>8,573</b>    | <b>(6,998)</b>  | <b>(7,448)</b>  | <b>(8,652)</b>  | <b>19.12</b>     | <b>13.91</b>       |
| Traffic & licensing  | (5,722)         | (11,883)        | (17,447)        | (10,566)        | -12.46           | -65.12             |
| Fire Services  | (10,198)        | (11,542)        | (11,482)        | (12,235)        | 5.67             | 6.15               |
| <b>Component F: sub-total</b>  | <b>(15,920)</b> | <b>(23,424)</b> | <b>(28,929)</b> | <b>(22,801)</b> | <b>-2.73</b>     | <b>-26.88</b>      |
| Holiday Resorts and Campsites  | 224             | (190)           | (180)           | (276)           | 31.23            | 34.83              |
| Swimming Pools, Stadiums and Sport Ground  | 8,627           | (5,029)         | (7,642)         | 9,048           | 155.59           | 184.46             |
| Community halls, facilities, Thusong centres   | (7,881)         | (9,275)         | (9,427)         | (9,505)         | 2.42             | 0.81               |
| <b>Component G: sub-total</b>  | <b>971</b>      | <b>(14,494)</b> | <b>(17,249)</b> | <b>(733)</b>    | <b>-1876.36</b>  | <b>-2252.06</b>    |
| Financial Services   | 113,971         | 124,468         | 117,604         | 115,805         | -7.48            | -1.55              |
| Office of the MM   | (3,459)         | (3,970)         | (4,843)         | (6,158)         | 35.53            | 21.36              |
| Administration   | (102,507)       | (72,344)        | (69,703)        | (73,498)        | 1.57             | 5.16               |
| HR   | (8,035)         | (9,474)         | (9,674)         | (10,490)        | 9.69             | 7.78               |
| <b>Component H: sub-total</b>  | <b>(30)</b>     | <b>38,681</b>   | <b>33,384</b>   | <b>25,659</b>   | <b>-50.75</b>    | <b>-30.10</b>      |
| <b>Total Expenditure</b>   | <b>54,384</b>   | <b>109,055</b>  | <b>193,564</b>  | <b>251,466</b>  | <b>56.63</b>     | <b>23.03</b>       |
| <i>In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service</i> |                 |                 |                 |                 |                  |                    |

**Table 211:** Operational Services Performance

## 5.2 Financial Performance per Municipal Function

### 5.2.1 Water Services

| Description                          | 2012/13       | 2013/14         |                   |                |                    |
|--------------------------------------|---------------|-----------------|-------------------|----------------|--------------------|
|                                      | Actual        | Original Budget | Adjustment Budget | Actual         | Variance to Budget |
|                                      | R'000         |                 |                   |                | %                  |
| <b>Total Operational Revenue</b>     | 136,866       | 116,374         | 116,224           | 111,472        | -4.40              |
| <b>Expenditure:</b>                  |               |                 |                   |                |                    |
| Employees                            | 26,082        | 29,576          | 29,919            | 30,392         | 2.68               |
| Repairs and Maintenance              | 7,615         | 7,936           | 8,233             | 7,651          | -3.73              |
| Other                                | 63,811        | 55,206          | 60,517            | 66,256         | 16.68              |
| <b>Total Operational Expenditure</b> | <b>97,508</b> | <b>92,719</b>   | <b>98,669</b>     | <b>104,299</b> | <b>11.10</b>       |
| <b>Net Operational (Service)</b>     | <b>39,358</b> | <b>23,656</b>   | <b>17,555</b>     | <b>7,173</b>   | <b>-229.79</b>     |

Table 212: Financial Performance: Water services

### 5.2.2 Sanitation Services

| Description                          | 2012/13       | 2013/14         |                   |               |                    |
|--------------------------------------|---------------|-----------------|-------------------|---------------|--------------------|
|                                      | Actual        | Original Budget | Adjustment Budget | Actual        | Variance to Budget |
|                                      | R'000         |                 |                   |               | %                  |
| <b>Total Operational Revenue</b>     | 111,932       | 124,874         | 144,352           | 138,348       | 9.74               |
| <b>Expenditure:</b>                  |               |                 |                   |               |                    |
| Employees                            | 17,964        | 20,849          | 20,849            | 20,890        | 0.20               |
| Repairs and Maintenance              | 18,817        | 19,915          | 21,676            | 21,195        | 6.04               |
| Other                                | 34,468        | 27,697          | 32,277            | 31,641        | 12.47              |
| <b>Total Operational Expenditure</b> | <b>71,250</b> | <b>68,460</b>   | <b>74,801</b>     | <b>73,725</b> | <b>7.14</b>        |
| <b>Net Operational (Service)</b>     | <b>40,683</b> | <b>56,414</b>   | <b>69,551</b>     | <b>64,623</b> | <b>12.70</b>       |

Table 213: Financial Performance: Sanitation services

### 5.2.3 Electricity Services

| Description                          | 2012/13        | 2013/14         |                   |                |                    |
|--------------------------------------|----------------|-----------------|-------------------|----------------|--------------------|
|                                      | Actual         | Original Budget | Adjustment Budget | Actual         | Variance to Budget |
|                                      | R'000          |                 |                   |                | %                  |
| <b>Total Operational Revenue</b>     | <b>440,599</b> | <b>466,767</b>  | <b>468,209</b>    | <b>474,135</b> | <b>1.55</b>        |
| <b>Expenditure:</b>                  |                |                 |                   |                |                    |
| Employees                            | 31,988         | 37,173          | 37,919            | 39,639         | 6.22               |
| Repairs and Maintenance              | 4,834          | 7,587           | 7,262             | 5,085          | -49.21             |
| Other                                | 321,912        | 360,738         | 361,759           | 339,945        | -6.12              |
| <b>Total Operational Expenditure</b> | <b>358,733</b> | <b>405,498</b>  | <b>406,940</b>    | <b>384,669</b> | <b>-5.41</b>       |
| <b>Net Operational (Service)</b>     | <b>81,865</b>  | <b>61,268</b>   | <b>61,269</b>     | <b>89,466</b>  | <b>31.52</b>       |

Table 214: Financial Performance: Electricity services

### 5.2.4 Waste Management Services (Refuse collections, Waste disposal, Street cleaning and Recycling)

| Description                          | 2012/13       | 2013/14         |                   |               |                    |
|--------------------------------------|---------------|-----------------|-------------------|---------------|--------------------|
|                                      | Actual        | Original Budget | Adjustment Budget | Actual        | Variance to Budget |
|                                      | R'000         |                 |                   |               | %                  |
| <b>Total Operational Revenue</b>     | <b>58,704</b> | <b>60,556</b>   | <b>61,713</b>     | <b>67,564</b> | <b>10.37</b>       |
| <b>Expenditure:</b>                  |               |                 |                   |               |                    |
| Employees                            | 15,999        | 18,657          | 18,397            | 18,658        | 0.01               |
| Repairs and Maintenance              | 1,774         | 1,914           | 2,275             | 2,021         | 5.31               |
| Other                                | 30,153        | 26,275          | 25,947            | 27,029        | 2.79               |
| <b>Total Operational Expenditure</b> | <b>47,925</b> | <b>46,846</b>   | <b>46,620</b>     | <b>47,708</b> | <b>1.81</b>        |
| <b>Net Operational (Service)</b>     | <b>10,779</b> | <b>13,711</b>   | <b>15,094</b>     | <b>19,856</b> | <b>30.95</b>       |

Table 215: Financial Performance: Waste Management Services (Refuse collections, Waste disposal, Street cleaning and Recycling)

## 5.2.5 Housing

| Description                          | 2012/13         | 2013/14         |                   |                 |                    |
|--------------------------------------|-----------------|-----------------|-------------------|-----------------|--------------------|
|                                      | Actual          | Original Budget | Adjustment Budget | Actual          | Variance to Budget |
|                                      | R'000           |                 |                   |                 | %                  |
| <b>Total Operational Revenue</b>     | <b>44,755</b>   | <b>42,424</b>   | <b>43,571</b>     | <b>21,841</b>   | <b>-94.24</b>      |
| <b>Expenditure:</b>                  |                 |                 |                   |                 |                    |
| Employees                            | 11,040          | 11,308          | 11,350            | 11,540          | 2.01               |
| Repairs and Maintenance              | 1,178           | 2,358           | 1,619             | 1,169           | -101.66            |
| Other                                | 44,209          | 50,066          | 67,703            | 31,790          | -57.49             |
| <b>Total Operational Expenditure</b> | <b>56,427</b>   | <b>63,732</b>   | <b>80,672</b>     | <b>44,499</b>   | <b>-43.22</b>      |
| <b>Net Operational (Service)</b>     | <b>(11,672)</b> | <b>(21,308)</b> | <b>(37,101)</b>   | <b>(22,658)</b> | <b>5.96</b>        |

Table 216: Financial Performance: Housing

## 5.2.6 Roads and Stormwater

| Description                          | 2012/13         | 2013/14         |                   |                 |                    |
|--------------------------------------|-----------------|-----------------|-------------------|-----------------|--------------------|
|                                      | Actual          | Original Budget | Adjustment Budget | Actual          | Variance to Budget |
|                                      | R'000           |                 |                   |                 | %                  |
| <b>Total Operational Revenue</b>     | <b>36,461</b>   | <b>46,371</b>   | <b>75,599</b>     | <b>70,323</b>   | <b>34.06</b>       |
| <b>Expenditure:</b>                  |                 |                 |                   |                 |                    |
| Employees                            | 15,718          | 16,947          | 16,947            | 17,109          | 0.95               |
| Repairs and Maintenance              | 21,390          | 21,757          | 22,328            | 21,006          | -3.57              |
| Other                                | 76,220          | 90,762          | 115,703           | 101,832         | 10.87              |
| <b>Total Operational Expenditure</b> | <b>113,327</b>  | <b>129,466</b>  | <b>154,978</b>    | <b>139,947</b>  | <b>7.49</b>        |
| <b>Net Operational (Service)</b>     | <b>(76,866)</b> | <b>(83,095)</b> | <b>(79,380)</b>   | <b>(69,624)</b> | <b>-19.35</b>      |

Table 217: Financial Performance: Roads Services

## 5.2.7 LED

| Description                          | 2012/13        | 2013/14         |                   |                |                    |
|--------------------------------------|----------------|-----------------|-------------------|----------------|--------------------|
|                                      | Actual         | Original Budget | Adjustment Budget | Actual         | Variance to Budget |
|                                      | R'000          |                 |                   |                | %                  |
| <b>Total Operational Revenue</b>     | <b>140</b>     | <b>250</b>      | <b>348</b>        | <b>101</b>     | <b>-147.69</b>     |
| <b>Expenditure:</b>                  |                |                 |                   |                |                    |
| Employees                            | 1,006          | 1,056           | 1,121             | 1,104          | 4.35               |
| Repairs and Maintenance              | 1              | 8               | 37                | 32             | 73.88              |
| Other                                | 500            | 1,430           | 962               | 786            | -81.85             |
| <b>Total Operational Expenditure</b> | <b>1,506</b>   | <b>2,494</b>    | <b>2,120</b>      | <b>1,921</b>   | <b>-29.78</b>      |
| <b>Net Operational (Service)</b>     | <b>(1,366)</b> | <b>(2,244)</b>  | <b>(1,772)</b>    | <b>(1,820)</b> | <b>-23.24</b>      |

Table 218: Financial Performance: LED

## 5.2.8 Planning

| Description                          | 2012/13         | 2013/14         |                   |                 |                    |
|--------------------------------------|-----------------|-----------------|-------------------|-----------------|--------------------|
|                                      | Actual          | Original Budget | Adjustment Budget | Actual          | Variance to Budget |
|                                      | R'000           |                 |                   |                 | %                  |
| <b>Total Operational Revenue</b>     | <b>4,205</b>    | <b>3,796</b>    | <b>3,548</b>      | <b>5,338</b>    | <b>28.88</b>       |
| <b>Expenditure:</b>                  |                 |                 |                   |                 |                    |
| Employees                            | 12,855          | 13,396          | 13,474            | 13,210          | -1.41              |
| Repairs and Maintenance              | 21              | 46              | 86                | 37              | -24.94             |
| Other                                | 2,256           | 3,097           | 2,399             | 2,115           | -46.45             |
| <b>Total Operational Expenditure</b> | <b>15,131</b>   | <b>16,540</b>   | <b>15,959</b>     | <b>15,362</b>   | <b>-7.67</b>       |
| <b>Net Operational (Service)</b>     | <b>(10,926)</b> | <b>(12,744)</b> | <b>(12,411)</b>   | <b>(10,024)</b> | <b>-27.13</b>      |

Table 219: Financial Performance: Planning

## 5.2.9 Libraries

| Description                          | 2012/13        | 2013/14         |                   |                |                    |
|--------------------------------------|----------------|-----------------|-------------------|----------------|--------------------|
|                                      | Actual         | Original Budget | Adjustment Budget | Actual         | Variance to Budget |
|                                      | R'000          |                 |                   |                | %                  |
| <b>Total Operational Revenue</b>     | <b>1,888</b>   | <b>2,155</b>    | <b>2,299</b>      | <b>2,626</b>   | <b>17.95</b>       |
| <b>Expenditure:</b>                  |                |                 |                   |                |                    |
| Employees                            | 6,976          | 7,893           | 7,663             | 7,658          | -3.07              |
| Repairs and Maintenance              | 166            | 245             | 190               | 179            | -36.43             |
| Other                                | 331            | 422             | 498               | 513            | 17.77              |
| <b>Total Operational Expenditure</b> | <b>7,473</b>   | <b>8,560</b>    | <b>8,351</b>      | <b>8,350</b>   | <b>-2.51</b>       |
| <b>Net Operational (Service)</b>     | <b>(5,585)</b> | <b>(6,405)</b>  | <b>(6,052)</b>    | <b>(5,724)</b> | <b>-11.90</b>      |

Table 220: Financial Performance: Libraries

## 5.2.10 Environmental Protection

| Description                          | 2012/13        | 2013/14         |                   |                |                    |
|--------------------------------------|----------------|-----------------|-------------------|----------------|--------------------|
|                                      | Actual         | Original Budget | Adjustment Budget | Actual         | Variance to Budget |
|                                      | R'000          |                 |                   |                | %                  |
| <b>Total Operational Revenue</b>     | <b>3,058</b>   | <b>3,202</b>    | <b>3,202</b>      | <b>1,194</b>   | <b>-168.17</b>     |
| <b>Expenditure:</b>                  |                |                 |                   |                |                    |
| Employees                            | 2,442          | 2,852           | 2,352             | 2,477          | -15.13             |
| Repairs and Maintenance              | 1,287          | 624             | 854               | 1,807          | 65.48              |
| Other                                | 6,618          | 6,724           | 7,444             | 5,561          | -20.90             |
| <b>Total Operational Expenditure</b> | <b>10,347</b>  | <b>10,200</b>   | <b>10,650</b>     | <b>9,846</b>   | <b>-3.60</b>       |
| <b>Net Operational (Service)</b>     | <b>(7,289)</b> | <b>(6,998)</b>  | <b>(7,448)</b>    | <b>(8,652)</b> | <b>19.12</b>       |

Table 221: Financial Performance: Environmental Protection



## 5.2.11 Social Services and Community Development

| Description                          | 2012/13        | 2013/14         |                   |                |                    |
|--------------------------------------|----------------|-----------------|-------------------|----------------|--------------------|
|                                      | Actual         | Original Budget | Adjustment Budget | Actual         | Variance to Budget |
|                                      | R'000          |                 |                   |                | %                  |
| <b>Total Operational Revenue</b>     | <b>929</b>     | <b>670</b>      | <b>987</b>        | <b>1,313</b>   | <b>48.92</b>       |
| <b>Expenditure:</b>                  |                |                 |                   |                |                    |
| Employees                            | 3,794          | 3,884           | 3,936             | 3,893          | 0.23               |
| Repairs and Maintenance              | 27             | 41              | 64                | 28             | -45.08             |
| Other                                | 2,585          | 2,839           | 3,095             | 3,035          | 6.44               |
| <b>Total Operational Expenditure</b> | <b>6,407</b>   | <b>6,764</b>    | <b>7,095</b>      | <b>6,956</b>   | <b>2.76</b>        |
| <b>Net Operational (Service)</b>     | <b>(5,478)</b> | <b>(6,094)</b>  | <b>(6,108)</b>    | <b>(5,643)</b> | <b>-7.98</b>       |

**Table 222:** Financial Performance: Social Services and Community Development

## 5.2.12 Traffic Services and Law Enforcement

| Description                          | 2012/13         | 2013/14         |                   |                 |                    |
|--------------------------------------|-----------------|-----------------|-------------------|-----------------|--------------------|
|                                      | Actual          | Original Budget | Adjustment Budget | Actual          | Variance to Budget |
|                                      | R'000           |                 |                   |                 | %                  |
| <b>Total Operational Revenue</b>     | <b>21,448</b>   | <b>22,259</b>   | <b>16,041</b>     | <b>61,404</b>   | <b>63.75</b>       |
| <b>Expenditure:</b>                  |                 |                 |                   |                 |                    |
| Employees                            | 21,250          | 23,316          | 23,856            | 24,677          | 5.51               |
| Repairs and Maintenance              | 1,584           | 961             | 1,272             | 984             | 2.32               |
| Other                                | 8,642           | 9,865           | 8,360             | 46,310          | 78.70              |
| <b>Total Operational Expenditure</b> | <b>31,476</b>   | <b>34,142</b>   | <b>33,489</b>     | <b>71,971</b>   | <b>52.56</b>       |
| <b>Net Operational (Service)</b>     | <b>(10,028)</b> | <b>(11,883)</b> | <b>(17,447)</b>   | <b>(10,566)</b> | <b>-12.46</b>      |

**Table 223:** Financial Performance: Traffic services and Law Enforcement

### 5.2.13 Fire and Disaster Management

| Description                          | 2012/13         | 2013/14         |                   |                 |                    |
|--------------------------------------|-----------------|-----------------|-------------------|-----------------|--------------------|
|                                      | Actual          | Original Budget | Adjustment Budget | Actual          | Variance to Budget |
|                                      | R'000           |                 |                   |                 | %                  |
| <b>Total Operational Revenue</b>     | <b>1,174</b>    | <b>1,128</b>    | <b>1,328</b>      | <b>1,096</b>    | <b>-2.94</b>       |
| <b>Expenditure:</b>                  |                 |                 |                   |                 |                    |
| Employees                            | 8,100           | 8,584           | 8,584             | 9,589           | 10.48              |
| Repairs and Maintenance              | 411             | 556             | 556               | 415             | -33.95             |
| Other                                | 2,862           | 3,529           | 3,670             | 3,326           | -6.11              |
| <b>Total Operational Expenditure</b> | <b>11,373</b>   | <b>12,669</b>   | <b>12,810</b>     | <b>13,330</b>   | <b>4.96</b>        |
| <b>Net Operational (Service)</b>     | <b>(10,198)</b> | <b>(11,542)</b> | <b>(11,482)</b>   | <b>(12,235)</b> | <b>5.67</b>        |

Table 224: Financial Performance: Fire and disaster Management

### 5.2.14 Holiday Resorts and Campsites

| Description                          | 2012/13      | 2013/14         |                   |              |                    |
|--------------------------------------|--------------|-----------------|-------------------|--------------|--------------------|
|                                      | Actual       | Original Budget | Adjustment Budget | Actual       | Variance to Budget |
|                                      | R'000        |                 |                   |              | %                  |
| <b>Total Operational Revenue</b>     | <b>403</b>   | <b>387</b>      | <b>387</b>        | <b>425</b>   | <b>8.99</b>        |
| <b>Expenditure:</b>                  |              |                 |                   |              |                    |
| Employees                            | 419          | 408             | 408               | 583          | 29.96              |
| Repairs and Maintenance              | 22           | 80              | 69                | 42           | -89.69             |
| Other                                | 74           | 89              | 90                | 76           | -16.03             |
| <b>Total Operational Expenditure</b> | <b>516</b>   | <b>577</b>      | <b>567</b>        | <b>702</b>   | <b>17.75</b>       |
| <b>Net Operational (Service)</b>     | <b>(112)</b> | <b>(190)</b>    | <b>(180)</b>      | <b>(276)</b> | <b>31.23</b>       |

Table 225: Financial Performance: Holiday Resorts and Campsites

## 5.2.15 Swimming Pools and Sport Grounds

| Description                          | 2012/13      | 2013/14         |                   |              |                    |
|--------------------------------------|--------------|-----------------|-------------------|--------------|--------------------|
|                                      | Actual       | Original Budget | Adjustment Budget | Actual       | Variance to Budget |
|                                      | R'000        |                 |                   |              | %                  |
| <b>Total Operational Revenue</b>     | <b>403</b>   | <b>387</b>      | <b>387</b>        | <b>425</b>   | <b>8.99</b>        |
| <b>Expenditure:</b>                  |              |                 |                   |              |                    |
| Employees                            | 419          | 408             | 408               | 583          | 29.96              |
| Repairs and Maintenance              | 22           | 80              | 69                | 42           | -89.69             |
| Other                                | 74           | 89              | 90                | 76           | -16.03             |
| <b>Total Operational Expenditure</b> | <b>516</b>   | <b>577</b>      | <b>567</b>        | <b>702</b>   | <b>17.75</b>       |
| <b>Net Operational (Service)</b>     | <b>(112)</b> | <b>(190)</b>    | <b>(180)</b>      | <b>(276)</b> | <b>31.23</b>       |

Table 226: Financial Performance: Swimming Pools and Sport Grounds

## 5.2.16 Community Facilities and Thusong Centres

| Description                          | 2012/13      | 2013/14         |                   |              |                    |
|--------------------------------------|--------------|-----------------|-------------------|--------------|--------------------|
|                                      | Actual       | Original Budget | Adjustment Budget | Actual       | Variance to Budget |
|                                      | R'000        |                 |                   |              | %                  |
| <b>Total Operational Revenue</b>     | <b>403</b>   | <b>387</b>      | <b>387</b>        | <b>425</b>   | <b>8.99</b>        |
| <b>Expenditure:</b>                  |              |                 |                   |              |                    |
| Employees                            | 419          | 408             | 408               | 583          | 29.96              |
| Repairs and Maintenance              | 22           | 80              | 69                | 42           | -89.69             |
| Other                                | 74           | 89              | 90                | 76           | -16.03             |
| <b>Total Operational Expenditure</b> | <b>516</b>   | <b>577</b>      | <b>567</b>        | <b>702</b>   | <b>17.75</b>       |
| <b>Net Operational (Service)</b>     | <b>(112)</b> | <b>(190)</b>    | <b>(180)</b>      | <b>(276)</b> | <b>31.23</b>       |

Table 227: Financial Performance: Community Facilities and Thusong Centres

## 5.2.17 Office of the Municipal Manager

| Description                          | 2012/13      | 2013/14         |                   |              |                    |
|--------------------------------------|--------------|-----------------|-------------------|--------------|--------------------|
|                                      | Actual       | Original Budget | Adjustment Budget | Actual       | Variance to Budget |
|                                      | R'000        |                 |                   |              | %                  |
| <b>Total Operational Revenue</b>     | <b>403</b>   | <b>387</b>      | <b>387</b>        | <b>425</b>   | <b>8.99</b>        |
| <b>Expenditure:</b>                  |              |                 |                   |              |                    |
| Employees                            | 419          | 408             | 408               | 583          | 29.96              |
| Repairs and Maintenance              | 22           | 80              | 69                | 42           | -89.69             |
| Other                                | 74           | 89              | 90                | 76           | -16.03             |
| <b>Total Operational Expenditure</b> | <b>516</b>   | <b>577</b>      | <b>567</b>        | <b>702</b>   | <b>17.75</b>       |
| <b>Net Operational (Service)</b>     | <b>(112)</b> | <b>(190)</b>    | <b>(180)</b>      | <b>(276)</b> | <b>31.23</b>       |

Table 228: Financial Performance: Office of the Municipal Manager

## 5.2.18 Administration

| Description                          | 2012/13         | 2013/14         |                   |                 |                    |
|--------------------------------------|-----------------|-----------------|-------------------|-----------------|--------------------|
|                                      | Actual          | Original Budget | Adjustment Budget | Actual          | Variance to Budget |
|                                      | R'000           |                 |                   |                 | %                  |
| <b>Total Operational Revenue</b>     | <b>17,347</b>   | <b>197,912</b>  | <b>336,835</b>    | <b>347,993</b>  | <b>43.13</b>       |
| <b>Expenditure:</b>                  |                 |                 |                   |                 |                    |
| Employees                            | 47,590          | 46,079          | 47,064            | 57,753          | 20.21              |
| Repairs and Maintenance              | 733             | 1,968           | 1,843             | 791             | -149.01            |
| Other                                | 37,769          | 222,208         | 357,630           | 362,948         | 38.78              |
| <b>Total Operational Expenditure</b> | <b>86,092</b>   | <b>270,256</b>  | <b>406,538</b>    | <b>421,491</b>  | <b>35.88</b>       |
| <b>Net Operational (Service)</b>     | <b>(68,745)</b> | <b>(72,344)</b> | <b>(69,703)</b>   | <b>(73,498)</b> | <b>1.57</b>        |

Table 229: Financial Performance: Office of the Municipal Manager

## 5.2.19 HR

| Description                          | 2012/13        | 2013/14         |                   |                 |                    |
|--------------------------------------|----------------|-----------------|-------------------|-----------------|--------------------|
|                                      | Actual         | Original Budget | Adjustment Budget | Actual          | Variance to Budget |
|                                      | R'000          |                 |                   |                 | %                  |
| <b>Total Operational Revenue</b>     | <b>1,083</b>   | <b>1,500</b>    | <b>1,500</b>      | <b>1,432</b>    | <b>-4.73</b>       |
| <b>Expenditure:</b>                  |                |                 |                   |                 |                    |
| Employees                            | 5,563          | 5,496           | 5,506             | 6,918           | 20.55              |
| Repairs and Maintenance              | –              | 10              | 10                | 1               | -1107.50           |
| Other                                | 3,555          | 5,468           | 5,658             | 5,004           | -9.28              |
| <b>Total Operational Expenditure</b> | <b>9,118</b>   | <b>10,974</b>   | <b>11,174</b>     | <b>11,922</b>   | <b>7.96</b>        |
| <b>Net Operational (Service)</b>     | <b>(8,035)</b> | <b>(9,474)</b>  | <b>(9,674)</b>    | <b>(10,490)</b> | <b>9.69</b>        |

Table 230: Financial Performance: HR

## 5.2.20 Financial Services

| Description                          | 2012/13        | 2013/14         |                   |                |                    |
|--------------------------------------|----------------|-----------------|-------------------|----------------|--------------------|
|                                      | Actual         | Original Budget | Adjustment Budget | Actual         | Variance to Budget |
|                                      | R'000          |                 |                   |                | %                  |
| <b>Total Operational Revenue</b>     | <b>167,704</b> | <b>187,395</b>  | <b>182,603</b>    | <b>181,690</b> | <b>-3.14</b>       |
| <b>Expenditure:</b>                  |                |                 |                   |                |                    |
| Employees                            | 32,095         | 35,843          | 35,780            | 34,628         | -3.51              |
| Repairs and Maintenance              | 159            | 166             | 164               | 127            | -30.83             |
| Other                                | 21,479         | 26,917          | 29,055            | 31,130         | 13.53              |
| <b>Total Operational Expenditure</b> | <b>53,733</b>  | <b>62,926</b>   | <b>64,999</b>     | <b>65,885</b>  | <b>4.49</b>        |
| <b>Net Operational (Service)</b>     | <b>113,971</b> | <b>124,468</b>  | <b>117,604</b>    | <b>115,805</b> | <b>-7.48</b>       |

Table 231: Financial Performance: Financial Services

## 5.3 Grants

### 5.3.1 Grant Performance

The table below indicates the Grant performance for the 2013/14 financial year:

The Municipality had a total amount of **R288,192 million** for operational expenditure available that was received in the form of grants from the National and Provincial Governments during the 2013/14 financial year. The performance in the spending of these grants is summarised as follows:

| Description  | 2012/13 |         | 2013/14                    |         | 2013/14 Variance   |                            |
|--|---------|---------|----------------------------|---------|--------------------|----------------------------|
|  | Actual  | Budget  | Adjust-<br>ments<br>Budget | Actual  | Original<br>Budget | Adjust-<br>ments<br>Budget |
|  | R'000   |         |                            |         | %                  |                            |
| Operating Transfers and Grants                           |         |         |                            |         |                    |                            |
| National Government:                                     | 89,028  | 189,671 | 190,261                    | 190,270 | 0.31               | 0.00                       |
| Equitable share  | 80,370  | 85,716  | 85,716                     | 85,716  | 0.00               | 0.00                       |
| Municipal Systems Improvement                            | 800     | 890     | 890                        | 890     | 0.00               | 0.00                       |
| Infrastructure Skills Development                        | 1,739   | 3,000   | 3,000                      | 2,648   | -13.29             | -13.29                     |
| Expanded Public Works Programme (EPWP)                   | 2,452   | 2,285   | 3,285                      | 3,285   | 30.44              | 0.00                       |
| EPWP: Point duty   | 217     | 0       | 0                          | 361     | 100.00             | 100.00                     |
| Municipal Infrastructure Grant - Project Management Unit | 2,200   | 2,091   | 1,681                      | 1,681   | -24.39             | 0.00                       |
| Electricity Demand Side Grant                            | 0       | 5,000   | 5,000                      | 5,000   | 0.00               | 0.00                       |
| Finance Management Grant                                 | 1,250   | 1,300   | 1,300                      | 1,300   | 0.00               | 0.00                       |
| Public Transport Network Operating Grant                 | 0       | 89,389  | 89,389                     | 89,389  | 0.00               | 0.00                       |
| Provincial Government:                                   | 52,588  | 56,838  | 68,095                     | 40,856  | -39.12             | -66.67                     |
| Housing  | 38,947  | 25,510  | 10,622                     | 15,936  | -60.08             | 33.34                      |
| Proclaimed Roads N2 York Bridge Widening                 | 3,216   | 20,000  | 24,384                     | 14,736  | -35.72             | -65.47                     |
| Proclaimed Roads   | 6,996   | 4,545   | 4,545                      | 4,545   | 0.00               | 0.00                       |
| Haarlem Sidewalks Project                                | 120     | 0       | 1,880                      | 1,880   | 100.00             | 0.00                       |
| Local Government Master planning Grant                   | 396     | 396     | 396                        | 396     | 0.00               | 0.00                       |
| Community Development Workers Operating Grant            | 74      | 0       | 270                        | 151     | 100.00             | -78.37                     |
| Library Grant  | 1,385   | 1,387   | 1,387                      | 1,387   | 0.00               | 0.00                       |
| Greenest Town Competition                                | 64      | 0       | 31                         | 31      | 100.00             | 0.00                       |
| Integrated Pubic Transport Grant                         | 920     | 5,000   | 23,080                     | 809     | -518.02            | 2752.83                    |
| Financial Management Support Grant                       | 361     | 0       | 400                        | 176     | 100.00             | -126.65                    |
| Thusong Services Centre Grant                            | 109     | 0       | 0                          | 0       | 0.00               | 0.00                       |
| Financial Management Support Grant (Government Support)  | 0       | 0       | 1,100                      | 809     | 100.00             | -35.96                     |
| District Municipality:                                   | 0       | 0       | 1,448                      | 1,448   | 100.00             | -0.03                      |

| Description                                 | 2012/13        |                | 2013/14            |                | 2013/14 Variance |                    |
|---|----------------|----------------|--------------------|----------------|------------------|--------------------|
|   | Actual         | Budget         | Adjustments Budget | Actual         | Original Budget  | Adjustments Budget |
|   | R'000          |                |                    |                | %                |                    |
| Flood Damage                                | 0              | 0              | 1,448              | 1,448          | 100.00           | -0.03              |
| <b>Other grant providers:</b>               | <b>8,515</b>   | <b>13,311</b>  | <b>28,388</b>      | <b>20,073</b>  | <b>33.69</b>     | <b>-41.42</b>      |
| Seta  | 1,083          | 0              | 500                | 614            | 100.00           | 18.60              |
| Working for Water - DWAF                    | 3,130          | 1,038          | 1,038              | 1,038          | 0.00             | 0.00               |
| Khulani Women's Project                     | 80             | 0              | 0                  | 0              | 0.00             | 0.00               |
| Refuse Transfer Station                     | 202            | 0              | 0                  | 0              | 0.00             | 0.00               |
| SANRALL - N2/York Street bridge widening    | 4,020          | 12,273         | 26,849             | 18,420         | 33.37            | -45.76             |
| <b>Total Operating Transfers and Grants</b> | <b>150,131</b> | <b>259,820</b> | <b>288,192</b>     | <b>252,647</b> | <b>-2.84</b>     | <b>-14.07</b>      |

Table 232: Grant Performance for 2013/14

### 5.3.2 Level of Reliance on Grants & Subsidies

| Financial year | Total grants and subsidies received | Total Operating Revenue | Percentage |
|----------------|-------------------------------------|-------------------------|------------|
|                | R'000                               |                         | %          |
| 2012/13        | 203,529                             | 932,980                 | 21.81      |
| 2013/14        | 284,016                             | 1,200,693               | 23.65      |

Table 233: Reliance on grants

### 5.4 Asset Management

Asset management is practiced within the organisation based on a comprehensive asset management policy. The Asset Management Policy provides direction for the management, accounting and control of Property, Plant & Equipment (Assets) owned or controlled by the municipality to ensure the following:

- ◆ Implementation of the approved Asset Management Policy as required in terms of section 63 of the Municipal Finance Management Act (MFMA).
- ◆ Verify assets in possession of the Council annually, during the course of the financial year.
- ◆ Keep a complete and balanced record of all assets in possession of the Council.
- ◆ Report in writing all asset losses, where applicable, to Council. Those assets are valued and accounted for in accordance with a statement of GRAP.
- ◆ Those assets are properly maintained and safeguarded.

The roles of the following are clearly defined within the asset management policy:

- ◆ Municipal Manager
- ◆ Chief Finance Officer
- ◆ Asset control section

- ♦ Manager budget section
- ♦ Manager Expenditure section
- ♦ Procurement section
- ♦ All other departments

Asset Management is performed in line with the Asset Management Policy as described above.

The control and safeguarding of assets remain the responsibility of each department. Each department needs to budget for the necessary maintenance of the assets under their control in order for the assets to achieve their economic life spans.

#### 5.4.1 Repairs and Maintenance

| Description                         | 2012/13 | 2013/14         |                   |        |                 |
|-------------------------------------|---------|-----------------|-------------------|--------|-----------------|
|                                     |         | Original Budget | Adjustment Budget | Actual | Budget variance |
|                                     |         | R'000           |                   |        |                 |
| Repairs and Maintenance Expenditure | 62,122  | 68,507          | 70,951            | 65,059 | -8.30           |

**Table 234:** Repairs & Maintenance Expenditure

### 5.5 Financial Ratios Based on Key Performance Indicators

#### 5.5.1 Liquidity Ratio

| Description                             | Basis of calculation                                      | 2012/13 | 2013/14 |
|---|---|---------|---------|
| Current Ratio                           | Current assets/current liabilities                        | 2.34    | 2.33    |
| Current Ratio adjusted for aged debtors | Current assets less debtors > 90 days/current liabilities | 2.01    | 1.99    |
| Liquidity Ratio                         | Monetary Assets/Current Liabilities                       | 1.01    | 1.01    |

**Table 235:** Liquidity Financial Ratio

#### 5.5.2 IDP Regulation Financial Viability Indicators

| Description                                  | Basis of calculation  | 2012/13    | 2013/14    |
|--|---|------------|------------|
| Cost Coverage                                | (Available cash + Investments)/monthly fixed operational expenditure                          | 4.52 times | 5.05 times |
| Total Outstanding Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services                        | 13%        | 10%        |
| Debt coverage                                | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) | 22.22      | 22.49      |

**Table 236:** Financial Viability National KPAs



### 5.5.3 Borrowing Management

| Description                              | Basis of calculation                             | 2012/13 | 2013/14 |
|--|--|---------|---------|
| Capital Charges to Operating Expenditure | Interest & Principal Paid /Operating Expenditure | 9%      | 7%      |

**Table 237:** Borrowing Management

### 5.5.4 Employee costs

| Description    | Basis of calculation                             | 2012/13 | 2013/14 |
|----------------|--|---------|---------|
| Employee costs | Employee costs/(Total Revenue - capital revenue) | 28%     | 26%     |

**Table 238:** Employee Costs

### 5.5.5 Repairs & Maintenance

| Description           | Basis of calculation                          | 2012/13 | 2013/14 |
|-----------------------|---|---------|---------|
| Repairs & Maintenance | R&M/(Total Revenue excluding capital revenue) | 7%      | 5%      |

**Table 239:** Repairs and Maintenance

## Component B: Spending Against Capital Budget

### 5.6 Capital Expenditure

#### 5.6.1 Capital Expenditure by new assets programme

| Description                                   | 2012/13        | 2013/14         |                   |                    | Planned Capital expenditure |                |                |
|---|----------------|-----------------|-------------------|--------------------|-----------------------------|----------------|----------------|
|   | Actual         | Original Budget | Adjustment Budget | Actual Expenditure | 2014/15                     | 2015/16        | 2016/17        |
| <b>R'000</b>                                  |                |                 |                   |                    |                             |                |                |
| <b>Capital expenditure by Asset Class</b>     |                |                 |                   |                    |                             |                |                |
| <b>Infrastructure - Total</b>                 | <b>122,347</b> | <b>142,809</b>  | <b>316,974</b>    | <b>304,069</b>     | <b>214,858</b>              | <b>203,985</b> | <b>191,868</b> |
| <b>Infrastructure: Road transport - Total</b> | <b>28,224</b>  | <b>62,295</b>   | <b>231,610</b>    | <b>230,057</b>     | <b>99,905</b>               | <b>104,912</b> | <b>140,323</b> |
| Roads, Pavements & Bridges                    | 26,511         | 61,113          | 230,610           | 230,057            | 93,240                      | 90,037         | 127,773        |
| Storm water                                   | 1,712          | 1,182           | 1,000             | 0                  | 6,665                       | 14,876         | 12,550         |
| <b>Infrastructure: Electricity - Total</b>    | <b>17,835</b>  | <b>20,656</b>   | <b>24,916</b>     | <b>21,063</b>      | <b>48,280</b>               | <b>39,756</b>  | <b>11,700</b>  |
| Generation                                    | 0              | 0               | 0                 | 0                  | 0                           | 0              | 0              |
| Transmission & Reticulation                   | 17,685         | 19,356          | 23,616            | 20,517             | 45,600                      | 37,206         | 11,700         |
| Street Lighting                               | 151            | 1,300           | 1,300             | 546                | 2,680                       | 2,550          | 0              |
| <b>Infrastructure: Water - Total</b>          | <b>29,202</b>  | <b>17,818</b>   | <b>8,865</b>      | <b>8,529</b>       | <b>21,065</b>               | <b>21,700</b>  | <b>4,100</b>   |
| Dams & Reservoirs                             | 81             | 10,092          | 100               | 98                 | 11,112                      | 10,500         | 100            |

| Description                               | 2012/13        | 2013/14         |                   |                    | Planned Capital expenditure |               |               |
|---|----------------|-----------------|-------------------|--------------------|-----------------------------|---------------|---------------|
|   | Actual         | Original Budget | Adjustment Budget | Actual Expenditure | 2014/15                     | 2015/16       | 2016/17       |
| <b>R'000</b>                              |                |                 |                   |                    |                             |               |               |
| Water purification                        | 0              | 0               | 0                 | 0                  | 0                           | 0             | 0             |
| Reticulation                              | 29,122         | 7,726           | 8,765             | 8,431              | 9,954                       | 11,200        | 4,000         |
| <b>Infrastructure: Sanitation - Total</b> | <b>47,577</b>  | <b>42,040</b>   | <b>51,583</b>     | <b>44,421</b>      | <b>38,357</b>               | <b>36,553</b> | <b>35,677</b> |
| Reticulation                              | 25,155         | 39,040          | 51,206            | 40,837             | 30,385                      | 21,900        | 20,050        |
| Sewerage purification                     | 22,422         | 3,000           | 378               | 3,584              | 7,973                       | 14,653        | 15,627        |
| <b>Infrastructure: Other - Total</b>      | <b>(491)</b>   | <b>0</b>        | <b>0</b>          | <b>0</b>           | <b>7,250</b>                | <b>1,064</b>  | <b>68</b>     |
| Waste Management                          | 0              | 0               | 0                 | 0                  | 7,250                       | 1,000         | 0             |
| Transportation                            | (491)          | 0               | 0                 | 0                  | 0                           | 64            | 68            |
| Gas                                       | 0              | 0               | 0                 | 0                  | 0                           | 0             | 0             |
| Other                                     | 0              | 0               | 0                 | 0                  | 0                           | 0             | 0             |
| <b>Community - Total</b>                  | <b>(6,643)</b> | <b>62,660</b>   | <b>20,938</b>     | <b>19,865</b>      | <b>9,479</b>                | <b>33,223</b> | <b>29,237</b> |
| Parks & gardens                           | 0              | 0               | 0                 | 0                  | 100                         | 0             | 0             |
| Sports fields& stadia                     | 4,350          | 8,550           | 18,965            | 18,528             | 3,500                       | 3,000         | 3,400         |
| Swimming pools                            | 0              | 0               | 0                 | 0                  | 50                          | 0             | 0             |
| Community halls                           | 55             | 0               | 0                 | 0                  | 160                         | 225           | 0             |
| Libraries                                 | 0              | 0               | 0                 | 0                  | 3,000                       | 2,000         | 0             |
| Recreational facilities                   | 317            | 0               | 0                 | 0                  | 100                         | 0             | 0             |
| Fire, safety & emergency                  | 0              | 0               | 10                | 9                  | 0                           | 1,000         | 0             |
| Security and policing                     | (11,976)       | 1,000           | 1,514             | 939                | 1,770                       | 1,268         | 837           |
| Buses                                     | 0              | 46,610          | 0                 | 0                  | 0                           | 0             | 0             |
| Clinics                                   | 0              | 0               | 0                 | 0                  | 0                           | 0             | 0             |
| Museums & Art Galleries                   | 0              | 0               | 0                 | 0                  | 0                           | 0             | 0             |
| Cemeteries                                | 0              | 0               | 0                 | 0                  | 0                           | 2,050         | 0             |
| Social rental housing                     | 0              | 6,000           | 0                 | 0                  | 0                           | 6,000         | 6,000         |
| Other                                     | 611            | 500             | 450               | 389                | 799                         | 17,680        | 19,000        |
| <b>Capital expenditure by Asset Class</b> | <b>4,257</b>   | <b>45,555</b>   | <b>29,623</b>     | <b>22,263</b>      | <b>27,906</b>               | <b>29,223</b> | <b>21,867</b> |
| <b>Heritage assets - Total</b>            | <b>0</b>       | <b>250</b>      | <b>29</b>         | <b>29</b>          | <b>380</b>                  | <b>0</b>      | <b>0</b>      |
| Buildings                                 | 0              | 250             | 29                | 29                 | 380                         | 0             | 0             |
| Other                                     | 0              | 0               | 0                 | 0                  | 0                           | 0             | 0             |
| <b>Investment properties - Total</b>      | <b>0</b>       | <b>0</b>        | <b>0</b>          | <b>0</b>           | <b>0</b>                    | <b>0</b>      | <b>0</b>      |
| Housing Development                       | 0              | 0               | 0                 | 0                  | 0                           | 0             | 0             |
| Other                                     | 0              | 0               | 0                 | 0                  | 0                           | 0             | 0             |
| <b>Other assets</b>                       | <b>4,257</b>   | <b>34,605</b>   | <b>29,593</b>     | <b>22,234</b>      | <b>27,526</b>               | <b>28,793</b> | <b>21,867</b> |

| Description                                    | 2012/13        | 2013/14         |                   |                    | Planned Capital expenditure |                |                |
|--|----------------|-----------------|-------------------|--------------------|-----------------------------|----------------|----------------|
|  | Actual         | Original Budget | Adjustment Budget | Actual Expenditure | 2014/15                     | 2015/16        | 2016/17        |
| <b>R'000</b>                                   |                |                 |                   |                    |                             |                |                |
| General vehicles                               | 815            | 13,820          | 7,268             | 5,341              | 8,690                       | 8,000          | 7,305          |
| Specialised vehicles                           | 0              | 2,500           | 2,740             | 4,083              | 2,500                       | 1,750          | 0              |
| Plant & equipment                              | 2,013          | 10,835          | 10,445            | 6,238              | 9,052                       | 4,306          | 1,487          |
| Computers - hardware/equipment                 | 823            | 3,550           | 823               | 844                | 460                         | 680            | 517            |
| Furniture and other office equipment           | 782            | 850             | 1,161             | 1,121              | 1,420                       | 897            | 758            |
| Abattoirs                                      | 0              | 0               | 0                 | 0                  | 0                           | 0              | 0              |
| Markets  | 0              | 0               | 0                 | 0                  | 0                           | 0              | 0              |
| Civic Land and Buildings                       | (723)          | 1,800           | 5,875             | 3,519              | 1,715                       | 4,000          | 4,600          |
| Other Buildings                                | 482            | 1,050           | 1,019             | 216                | 1,910                       | 2,010          | 2,000          |
| Other Land                                     | 0              | 0               | 0                 | 0                  | 0                           | 0              | 0              |
| Surplus Assets - (Investment or Inventory)     | 0              | 0               | 0                 | 0                  | 0                           | 0              | 0              |
| Other  | 65             | 200             | 263               | 871                | 1,779                       | 7,150          | 5,200          |
| <b>Agricultural assets</b>                     | <b>0</b>       | <b>0</b>        | <b>0</b>          | <b>0</b>           | <b>0</b>                    | <b>0</b>       | <b>0</b>       |
| <b>Biological assets</b>                       | <b>0</b>       | <b>0</b>        | <b>0</b>          | <b>0</b>           | <b>0</b>                    | <b>0</b>       | <b>0</b>       |
| <b>Intangibles</b>                             | <b>0</b>       | <b>10,700</b>   | <b>0</b>          | <b>0</b>           | <b>0</b>                    | <b>430</b>     | <b>0</b>       |
| Computers - software & programming             | 0              | 10,700          | 0                 | 0                  | 0                           | 430            | 0              |
| <b>Total Capital Expenditure on new assets</b> | <b>119,961</b> | <b>251,024</b>  | <b>367,535</b>    | <b>346,197</b>     | <b>252,243</b>              | <b>266,431</b> | <b>242,972</b> |
| Specialised vehicles                           | 0              | 2,500           | 2,740             | 4,083              | 2,500                       | 1,750          | 0              |
| Refuse   | 0              | 2,500           | 2,740             | 2,731              | 2,500                       | 1,750          | 0              |
| Fire   | 0              | 0               | 0                 | 1,353              | 0                           | 0              | 0              |
| Conservancy                                    | 0              | 0               | 0                 | 0                  | 0                           | 0              | 0              |

**Table 240:**

**Capital Expenditure – New Assets Programme**

## 5.7 Sources of Finance

### 5.7.1 Capital Expenditure by Funding Source

The table below indicates the capital expenditure by funding source for the 2013/14 financial year:

| Details                            | 2012/13        | 2013/14              |                   |                |                           |                       |
|------------------------------------|----------------|----------------------|-------------------|----------------|---------------------------|-----------------------|
|                                    | Actual         | Original Budget (OB) | Adjustment Budget | Actual         | Adjustment to OB Variance | Actual to OB Variance |
| <b>Source of finance</b>           |                |                      |                   |                |                           |                       |
| Description                        | R'000          |                      |                   |                | %                         |                       |
| External loans                     | 0              | 64,580               | 19,648            | 10,595         | -69.58                    | -14.02                |
| Public contributions and donations | 0              | 6,000                | 17,759            | 15,848         | 195.99                    | -31.86                |
| Grants and subsidies               | 82,905         | 130,051              | 279,246           | 274,113        | 114.72                    | -3.95                 |
| Own funding                        | 36,306         | 50,393               | 50,882            | 45,641         | 0.97                      | -10.40                |
| <b>Total</b>                       | <b>119,211</b> | <b>251,024</b>       | <b>367,535</b>    | <b>346,197</b> | <b>46.41</b>              | <b>-8.50</b>          |
| <b>Percentage of finance</b>       |                |                      |                   |                |                           |                       |
| External loans                     | 0%             | 26%                  | 5%                | 3%             | -79.22                    | -8.88                 |
| Public contributions and donations | 0%             | 2%                   | 5%                | 5%             | 102.16                    | -10.64                |
| Grants and subsidies               | 70%            | 52%                  | 76%               | 79%            | 46.65                     | 6.18                  |
| Own funding                        | 30%            | 20%                  | 14%               | 13%            | -31.04                    | -3.29                 |
| <b>Capital expenditure</b>         |                |                      |                   |                |                           |                       |
| Water and sanitation               | 76,779         | 75,303               | 71,014            | 63,167         | -5.70                     | -10.42                |
| Electricity                        | 17,835         | 18,563               | 23,315            | 19,970         | 25.60                     | -18.02                |
| Housing                            | 897            | 7,743                | 3,170             | 2,501          | -59.06                    | -8.64                 |
| Roads and storm water              | 28,224         | 124,730              | 232,208           | 230,085        | 86.17                     | -1.70                 |
| Other                              | 21,033         | 24,685               | 37,828            | 30,473         | 53.24                     | -29.79                |
| <b>Total</b>                       | <b>144,768</b> | <b>251,024</b>       | <b>367,535</b>    | <b>346,197</b> | <b>46.41</b>              | <b>-8.50</b>          |
| <b>Percentage of expenditure</b>   |                |                      |                   |                |                           |                       |
| Water and sanitation               | 53%            | 30%                  | 19%               | 18%            | -35.59                    | -3.59                 |
| Electricity                        | 12%            | 7%                   | 6%                | 6%             | -14.22                    | -7.78                 |
| Housing                            | 1%             | 3%                   | 1%                | 1%             | -72.04                    | -4.54                 |
| Roads and storm water              | 19%            | 50%                  | 63%               | 66%            | 27.15                     | 6.60                  |
| Other                              | 15%            | 10%                  | 10%               | 9%             | 4.66                      | -15.15                |

**Table 241: Capital Expenditure by Funding Source**

## 5.8 Capital Spending on 5 Largest Projects

Projects with the highest capital expenditure in 2012/13

| Name of Project                              | Current Year: 2013/14 |                   |                    | Variance Current Year: 2013/14 |                     |
|--|-----------------------|-------------------|--------------------|--------------------------------|---------------------|
|  | Original Budget       | Adjustment Budget | Actual Expenditure | Original Variance              | Adjustment variance |
|  | R'000                 |                   |                    | %                              |                     |
| Electricity Reticulation Scheme - Thembaletu | 5,263                 | 7,000             | 6,958              | 24.35                          | -0.61               |
| Thembaletu UISP – Civil Services             | 28,906                | 39,573            | 35,780             | 19.21                          | -10.60              |
| Thembaletu Bulk Sewers                       | 14,284                | 21,740            | 18,268             | 21.81                          | -19.00              |
| Kleinkrantz WWTW upgrade                     | 8,000                 | 6,368             | 6,371              | -25.57                         | 0.04                |
| GIPTN Project                                | 90,630                | 191,298           | 191,817            | 52.75                          | 0.27                |

**Table 242:** Capital Expenditure on the 5 Largest Projects

|                                     |   |
|-------------------------------------|---|
| <b>Name of Project - A</b>          | Electricity Reticulation Scheme - thembaletu            |
| <b>Objective of Project</b>         | Provide an electrical connection to 625 informal houses |
| <b>Delays</b>                       | Rain  |
| <b>Future Challenges</b>            | Funding   |
| <b>Anticipated citizen benefits</b> | 3 000   |

**Table 243:** Summary of Project A

|                                     |   |
|-------------------------------------|---|
| <b>Name of Project - B</b>          | Thembaletu UISP - civil services                    |
| <b>Objective of Project</b>         | Provide internal services for UISP housing projects |
| <b>Delays</b>                       | Rain  |
| <b>Future Challenges</b>            | Expansion of bulk sewer services                    |
| <b>Anticipated citizen benefits</b> | 18 000  |

**Table 244:** Summary of Project B

|                                     |   |
|-------------------------------------|---|
| <b>Name of Project - C</b>          | Thembaletu Bulk Sewers                          |
| <b>Objective of Project</b>         | Provide bulk services for UISP housing projects |
| <b>Delays</b>                       | Appeal against civil project appointment        |
| <b>Future Challenges</b>            | Extra funds required                            |
| <b>Anticipated citizen benefits</b> | 92 823  |

**Table 245:** Summary of Project C

|                             |   |
|-----------------------------|---|
| <b>Name of Project - D</b>  | Kleinkrantz WWTW upgrade                        |
| <b>Objective of Project</b> | Provide bulk services for UISP housing projects |
| <b>Delays</b>               | Rain  |
| <b>Future Challenges</b>    | Extra funds required                            |

|                                     |        |
|-------------------------------------|--------|
| <b>Anticipated citizen benefits</b> | 12 468 |
|-------------------------------------|--------|

**Table 246:** Summary of Project D

|                                     |  |
|-------------------------------------|--|
| <b>Name of Project - E</b>          | GIPTN Project                          |
| <b>Objective of Project</b>         | Provision of a public transport system |
| <b>Delays</b>                       | Negotiations with the Industry         |
| <b>Future Challenges</b>            | Funding                                |
| <b>Anticipated citizen benefits</b> | All citizens in George                 |

**Table 247:** Summary of Project E

## 5.9 Basic Service and Infrastructure

### 5.9.1 Municipal Infrastructure Grant (MIG)

The full MIG budget allocation for the 13/14 financial year was **R31,413 million**. The actual expenditure for the MIG allocation was 100% spend.

| Details                                       | Budget            | Adjustments<br>Budget | Actual            | Variance      |                       |
|---|-------------------|-----------------------|-------------------|---------------|-----------------------|
|   |                   |                       |                   | Budget        | Adjustments<br>Budget |
|   |                   |                       |                   | %             |                       |
| <b>Infrastructure - Water</b>                 | 2,280,000         | 2,280,000             | 2,280,000         | 0.00          | 0.00                  |
| <i>Reticulation</i>                           | 2,280,000         | 2,280,000             | 2,280,000         | 0.00          | 0.00                  |
| <b>Infrastructure - Sanitation</b>            | 32,915,709        | 27,615,197            | 27,615,197        | -19.19        | 0.00                  |
| <i>Reticulation</i>                           | 16,284,164        | 16,263,162            | 16,263,162        | -0.13         | 0.00                  |
| <i>Sewerage purification</i>                  | 16,631,546        | 11,352,035            | 11,352,035        | -46.51        | 0.00                  |
| <b>Other Specify: Recreational facilities</b> | 4,235,836         | 1,518,096             | 1,518,093         | -179.02       | 0.00                  |
| <i>Outdoor Sport facilities</i>               | 4,235,836         | 1,518,096             | 1,518,093         | -179.02       | 0.00                  |
| <b>Total</b>                                  | <b>39,431,545</b> | <b>31,413,293</b>     | <b>31,413,290</b> | <b>-25.53</b> | <b>0.00</b>           |

**Table 248:** Municipal Infrastructure Grant (MIG)

## Component C: Cash Flow Management and Investments

### 5.10 Cash Flow

| Description                                       | 2012/13   |                 | 2013/14         |           |
|---|-----------|-----------------|-----------------|-----------|
|   | Actual    | Original Budget | Adjusted Budget | Actual    |
|   | R'000     |                 |                 |           |
| Cash flow from operating activities               |           |                 |                 |           |
| Receipts  |           |                 |                 |           |
| Ratepayers and other                              | 746,814   | 758,695         | 856,996         | 838,255   |
| Government - operating                            | 131,827   | 131,827         | 261,734         | 251,547   |
| Government - capital                              | 127,881   | 127,881         | 265,164         | 274,964   |
| Interest  | 14,936    | 17,425          | 21,804          | 22,625    |
| Dividends   | 0         | 0               | 0               | 0         |
| Payments  |           |                 |                 |           |
| Suppliers and employees                           | (770,699) | (997,945)       | (1,056,256)     | (856,815) |
| Finance charges                                   | (55,451)  | (51,536)        | (50,786)        | (51,111)  |
| Transfers and Grants                              | (1,521)   | (2,318)         | (2,273)         | (2,368)   |
| Net cash from/(used) operating activities         | 193,789   | (15,971)        | 296,384         | 477,098   |
| Cash flows from investing activities              |           |                 |                 |           |
| Receipts  |           |                 |                 |           |
| Proceeds on disposal of PPE                       | 330       | 5,000           | 2,200           | 1         |
| Decrease (Increase) in non-current debtors        | 774       | 0               | 0               | 325       |
| Decrease (increase) other non-current receivables | 0         | 6,982           | 1,982           | (140,192) |
| Decrease (increase) in non-current investments    | 0         | 0               | 0               | 0         |
| Payments  |           |                 |                 |           |
| Capital assets                                    | (113,075) | (250,000)       | (257,274)       | (190,157) |
| Net cash from/(used) investing activities         | (111,970) | (238,018)       | (253,092)       | (330,023) |
| Cash flows from financing activities              |           |                 |                 |           |
| Receipts  |           |                 |                 |           |
| Short term loans                                  | 0         | 0               | 0               | 0         |
| Borrowing long term/refinancing                   | 0         | 64,580          | 19,648          | 10,206    |
| Payments  |           |                 |                 |           |
| Repayment of borrowing                            | (33,843)  | (36,366)        | (36,963)        | (36,963)  |
| Net cash from/(used) financing activities         | (33,843)  | 28,214          | (17,315)        | (26,757)  |
| Net increase/ (decrease) in cash held             | 47,976    | (225,775)       | 25,976          | 120,318   |
| Cash/cash equivalents at the year begin:          | 218,901   | 266,877         | 266,877         | 266,877   |
| Cash/cash equivalents at the year-end:            | 266,877   | 41,102          | 292,853         | 387,195   |

Table 249: Cash flow

## 5.11 Gross Outstanding Debtors per Service

| Financial year        | Rates   | Trading services        | Economic services       | Housing rentals | Other | Total   |
|-----------------------|---------|-------------------------|-------------------------|-----------------|-------|---------|
|                       |         | (Electricity and Water) | (Sanitation and Refuse) |                 |       |         |
|                       | R'000   |                         |                         |                 |       |         |
| 2012/13               | 23,747  | 54,715                  | 11,304                  | 26              | 5,734 | 95,526  |
| 2013/14               | 16,135  | 48,564                  | 12,146                  | 36              | 9,396 | 86,277  |
| Difference            | (7,612) | (6,150)                 | 842                     | 10              | 3,662 | (9,249) |
| % growth year on year | -32     | -11                     | 7                       | 38              | 64    | -10     |

Table 250: Gross outstanding debtors per service

Note: Figures exclude provision for bad debt.

## 5.12 Total Debtors Age Analysis

| Financial year        | Less than 30 days | Between 30-60 days | Between 60-90 days | More than 90 days | Total   |
|-----------------------|-------------------|--------------------|--------------------|-------------------|---------|
|                       | R'000             |                    |                    |                   |         |
| 2012/13               | 53,589            | 5,434              | 2,445              | 34,058            | 95,526  |
| 2013/14               | 59,415            | 2,038              | 1,311              | 23,513            | 86,277  |
| Difference            | 5,826             | (3,396)            | (1,134)            | (10,545)          | (9,249) |
| % growth year on year | 11                | -62                | -46                | -31               | -10     |

Table 251: Service debtor age analysis

Note: Figures exclude provision for bad debt

## 5.13 Borrowing and Investments

### 5.13.1 Actual Borrowings

| Instrument                                 | 2012/13        | 2013/14        |
|--|----------------|----------------|
|  | R'000          |                |
| Long-Term Loans (annuity/reducing balance) | 487,034        | 450,070        |
| Financial Leases                           | 0              | 10,225         |
| <b>Total</b>                               | <b>487 034</b> | <b>460,325</b> |

Table 252: Actual Borrowings



### 5.13.2 Municipal Investments

| Investment type                            | 2012/13  | 2013/14  |
|--|----------|----------|
|  | Actual   | Actual   |
|  | R'000    | R'000    |
| Securities - National Government           | 0        | 0        |
| Listed Corporate Bonds                     | 0        | 0        |
| Deposits – Bank                            | 0        | 0        |
| Deposits - Public Investment Commissioners | 0        | 0        |
| Deposits - Corporation for Public Deposits | 0        | 0        |
| Bankers Acceptance Certificates            | 0        | 0        |
| Negotiable Certificates of Deposit - Banks | 0        | 0        |
| Guaranteed Endowment Policies (sinking)    | 0        | 0        |
| Repurchase Agreements - Banks              | 0        | 0        |
| Municipal Bonds                            | 0        | 0        |
| Other                                      | 0        | 0        |
| <b>Total</b>                               | <b>0</b> | <b>0</b> |

**Table 253:** Municipal Investments

### 5.13.3 Grants Made by the Municipality: 2013/14

| Description                  | Nature of Project   | Conditions attached to funding             | Value 2013/14<br>R'000 |
|------------------------------|---|--|------------------------|
| SPCA                         | Impounding of animals in municipal area   | n/a  | 1,209                  |
| Various prospective students | Providing bursaries for further tertiary education                                  | Must reside in the George area             | 90                     |
| Municipal staff              | Providing bursaries for further tertiary education                                  | Must be an employee of George Municipality | 59                     |
| Schools                      | Merit awards to schools   | n/a  | 42                     |
| NGO's                        | To provide assistance to these organisations in performing their duties             | n/a  | 26                     |
| Different organisations      | To provide assistance to different festivals that are being held in the George area | n/a  | 942                    |

**Table 254:** Grants made by municipality

## Chapter 6: Auditor General Audit Findings

### Component A: Auditor-General Opinion 2012/13

#### 6.1 Auditor General Reports 2012/13

| Auditor-General Report on Financial Performance 2011/12 |                                  |
|---|----------------------------------|
| <b>Audit Report Status:</b>                             | <b>Unqualified – Clean Audit</b> |

**Table 255:** AG Report on Financial Performance 2012/13

### Component B: Auditor-General Opinion 2013/14

#### 6.2 Auditor General Reports 2013/14

| Auditor-General Report on Financial Performance 2013/14  |  |
|--|--|
| <b>Audit Report Status:</b>  | <b>Unqualified – Clean Audit</b>   |
| <b>Issue raised</b>  | <b>Corrective step implemented</b>   |
| <u>Emphasis of matter:</u>   |  |
| <b>Material underspending of the budget.</b><br>As disclosed in the statement of comparison of budgeted and actual amounts, the municipality has materially underspent its budget by R31,8 million. The difference is mostly due to underspending on housing and proclaimed roads. | The matter was taken up with the relevant authorities and is constantly monitored within the budgeting reporting process.  |
| <b>Material impairments</b><br>As disclosed in note 30 to the financial statements, material losses to the amount of R69,6 million were reported by the municipality as a result of the impairment of irrecoverable trade receivables.   | The increase in debt impaired is as a result of the implementation of IGRAP1 which required that the full amount of fines issues be recognised as revenue and the subsequent debtor having to be impaired. |

**Table 256:** AG Report on Financial Performance 2013/14

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## LIST OF ABBREVIATIONS

|              |   |
|--------------|---|
| <b>AG</b>    | Auditor-General                                       |
| <b>GEO</b>   | George Municipality                                   |
| <b>CAPEX</b> | Capital Expenditure                                   |
| <b>CBP</b>   | Community Based Planning                              |
| <b>CFO</b>   | Chief Financial Officer                               |
| <b>DWAF</b>  | Department of Water Affairs and Forestry              |
| <b>EE</b>    | Employment Equity                                     |
| <b>GRAP</b>  | Generally Recognised Accounting Practice              |
| <b>HR</b>    | Human Resources                                       |
| <b>IDP</b>   | Integrated Development Plan                           |
| <b>IFRS</b>  | International Financial Reporting Standards           |
| <b>IMFO</b>  | Institute for Municipal Finance Officers              |
| <b>KPA</b>   | Key Performance Area                                  |
| <b>KPI</b>   | Key Performance Indicator                             |
| <b>LED</b>   | Local Economic Development                            |
| <b>MAYCO</b> | Executive Mayoral Committee                           |
| <b>MFMA</b>  | Municipal Finance Management Act (Act No. 56 of 2003) |
| <b>MIG</b>   | Municipal Infrastructure Grant                        |
| <b>MM</b>    | Municipal Manager                                     |
| <b>MSA</b>   | Municipal Systems Act No. 32 of 2000                  |
| <b>NGO</b>   | Non-governmental organisation                         |
| <b>NT</b>    | National Treasury                                     |
| <b>OPEX</b>  | Operating expenditure                                 |
| <b>PMS</b>   | Performance Management System                         |
| <b>PT</b>    | Provincial Treasury                                   |
| <b>SALGA</b> | South African Local Government Organisation           |
| <b>SAMDI</b> | South African Management Development Institute        |
| <b>SCM</b>   | Supply Chain Management                               |

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|              |   |
|--------------|---|
| <b>SDBIP</b> | Service Delivery and Budget Implementation Plan |
| <b>SDF</b>   | Spatial Development Framework                   |
| <b>PPP</b>   | Public Private Partnership                      |
| <b>WTW</b>   | Water Treatment Works                           |
| <b>WWTW</b>  | Waste Water Treatment Works                     |

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**Annexure B: Report of the Auditor General**

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## Annexure C: Report of the Performance Audit Committee

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